



Ministry
of
Education

The Honourable Sean Conway, Minister
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Curriculum Guideline

BUSINESS STUDIES

Intermediate and
Senior Divisions
and OAC
1987

Accounting

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Course Codes

The accounting section of the business studies guideline comprises two programs: accounting and recordkeeping. The two programs include the following courses:

- Accounting Introduction, General Level (BAI)
- Accounting Applications, General Level (BAA)
- Accounting Procedures, General Level (BAM)
- Accounting, Advanced Level (BAC)
- Accounting Systems, Advanced Level (BAS)
- Accounting OAC (BAC)
- Recordkeeping Introduction, Basic Level (BAR)
- Recordkeeping Applications, Basic Level (BAB)
- Recordkeeping Data, Basic Level (BAD)

BUSINESS STUDIES

Accounting

- 1. Accounting,
Intermediate and
Senior Divisions and OAC**
- 2. Recordkeeping,
Intermediate and
Senior Divisions**

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1. Accounting

Introduction

Program Description

The accounting program is designed to provide students with a knowledge of fundamental accounting principles and accepted accounting terminology. It should offer opportunities for students to examine a variety of the accounting procedures used to maintain the kind of accurate financial records that are essential to all business and economic activities.

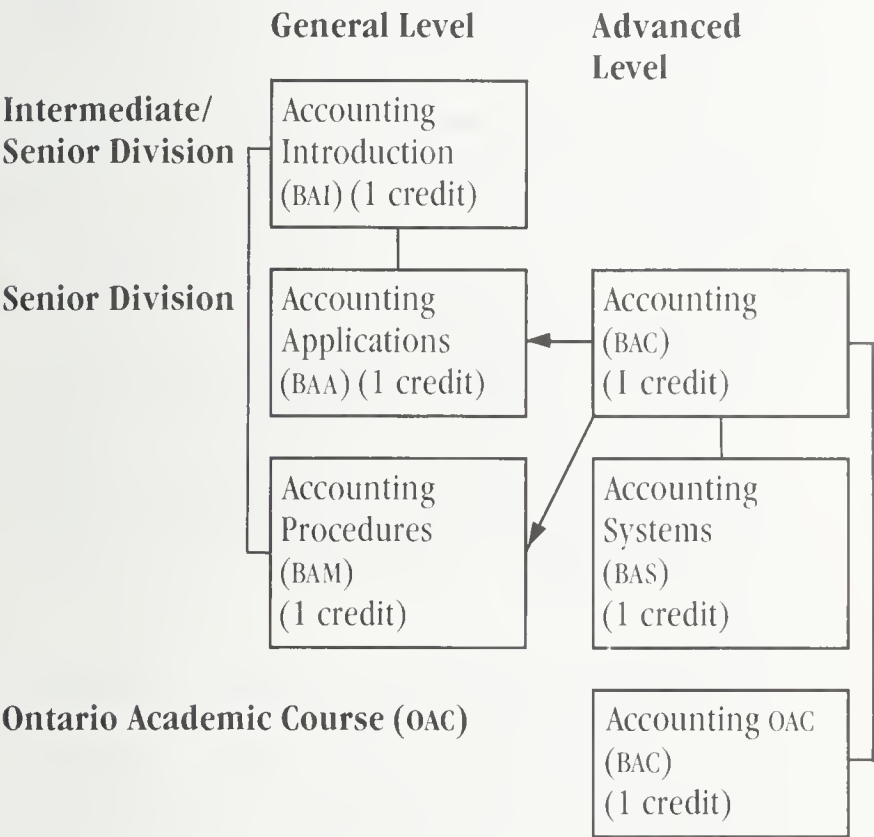
A knowledge of accounting principles and an understanding of accounting applications can help students maintain accurate personal financial records. They can lead to a career in one of the accounting professions or in an accounting-related field. They can also be of considerable value to self-employed business people.

The accounting courses offered at the general level of difficulty have been designed to help students prepare for direct entry into the work force or for continued education at a college of applied arts and technology. General-level accounting courses are directed towards helping students learn how to interpret general business records and relate them to the financial aspects of both business and personal life.

At the advanced level of difficulty accounting courses have been designed to help students understand theoretical principles, practical applications, and substantive content. Activities of a recordkeeping or repetitive nature are limited and used only to help students understand underlying accounting principles.

As illustrated in the accompanying diagram, this part of the business studies guideline authorizes six courses in accounting at the general and advanced levels of difficulty for a maximum value of six in-school credits. Additional credits in this program may be earned through a co-operative education mode of delivery as authorized in section 5.11 of OSIS.

Accounting Program



The accounting program at the general level of difficulty should begin with Accounting Introduction (BAI) in the Intermediate or Senior Division. Students may then proceed to Accounting Applications (BAA) and, if a third credit is offered, to Accounting Procedures (BAM). It is expected that most schools will find it sufficient to offer a two-credit program in accounting at the general level. Accordingly, all three accounting courses at the general level contain sufficient optional content so that schools will be able to design a comprehensive accounting program of two or three general-level credits and ensure that students have an adequate opportunity to apply both the accounting concepts covered in Accounting Introduction (BAI) and the business-related accounting applications outlined in Accounting Applications (BAA) and Accounting Procedures (BAM).

The accounting program at the advanced level of difficulty begins with Accounting (BAC), which is offered in the Senior Division and is the prerequisite for Accounting Systems (BAS) and for Accounting OAC (BAC). Schools may then proceed to Accounting Systems (BAS) and/or Accounting OAC (BAC).

Aims

The aims of all accounting courses are to provide students with opportunities to:

- develop an understanding of those accounting terms, principles, and procedures that are encountered in personal and business financial affairs;
- develop an understanding of modern accounting systems and their application to business and personal financial recordkeeping;
- complete accounting applications using computer technology;
- develop an understanding of the uses and significance of accounting information and reports;
- investigate careers and possibilities for further study in an accounting or a related field;
- develop effective business language and communication skills in an accounting environment;
- develop the ability to think critically and apply problem-solving models;
- develop business work habits and attitudes;
- develop a positive sense of self-worth and a respect for others;
- identify and discuss values issues and values conflicts in business decision-making processes.

Teaching Strategies

In addition to the general teaching strategies included in the business studies policy document, *Policy for Program Planning and Delivery*, teaching strategies are included in this section and in the descriptions of the specific accounting courses that follow.

Students who come into an accounting program have a wide range of achievements, abilities, aptitudes, learning styles, and special needs. Accounting teachers must be careful to select appropriate learning strategies and must be flexible in adapting their teaching methods to suit the backgrounds and abilities of the students involved.

Accounting is learned in a spiralling fashion: once the basic accounting cycle is completed, all further learning is simply an expansion of this cycle. It is important that teachers present accounting concepts so that students can visualize the entire process and recognize it as a unified and purposeful whole. This “whole” approach is the link between mechanical learning and real understanding.

The following three approaches to the teaching of accounting are recommended:

1. **The balance-sheet approach.** This approach begins with an illustration of the uses to which accounting records can be put and the reasons why accounting records may be necessary. Topics centre on the effect that accounts and transactions have on the balance sheet.
2. **The equation approach.** In using the equation approach, teachers introduce students to the balance-sheet equation first and then to a complete balance sheet. Students should develop the ability to analyse business transactions by learning the relationship of the elements of the accounting equation, the effects that various transactions have on these elements, and the reason for debit and credit rules.
3. **The systems approach.** In this approach, examples of how given accounting activities fit into an accounting system are provided. Flow charts are used extensively to illustrate the sequence of procedures and the flow of accounting data through the accounting system.

Computer Technology and Accounting Instruction

The use of the computer has revolutionized accounting practices and procedures. As a result, the emphasis in all accounting courses must shift from the mastery of manual techniques to the mastery of concepts as they apply to computerized accounting techniques. There are units in computer-augmented accounting in both the general- and the advanced-level courses of this accounting program. The emphasis in these units is on the use of the computer as a tool for performing accounting activities.

Computer-augmented accounting instruction should be divided into two parts. The first part deals with training students to use computer hardware and operate accounting-related software programs. The second part concentrates on computerized applications of accounting principles.

In dealing with this content, teachers might:

- introduce an accounting topic through short, manual learning activities to develop students' accounting knowledge and skills;
- apply and adapt the manual learning activities to a computerized environment through both teacher demonstrations and student activities;
- compare and contrast the manual and computer processes as they relate to accounting;
- require students to apply an accounting topic to a computer process individually or in groups.

Teachers should be prepared to select and implement software packages appropriate to the learner's ability and curriculum focus. Students in accounting should have opportunities to complete applications using spreadsheet, data-base, and general-ledger computer programs. Whenever possible, general-ledger accounting software should be integrated to allow users to combine and manipulate applications and to allow automatic data exchange between applications.

Sound pedagogical principles must be applied to the use of computers in accounting courses. Accounting courses offered at the general level of difficulty should stress the use of simple spreadsheets and permit the practice of basic data-entry skills. Using simple spreadsheet programs to record transactions to columnar journals and to prepare work sheets and financial statements will help students develop good accounting practices, confidence, and self-esteem, as well as general computer literacy. Students could then progress to more sophisticated software, such as integrated general-ledger applications, subsidiary-ledger data-base applications, and spreadsheet applications in such areas as financial-statement analysis.

Accounting courses offered at the advanced level of difficulty should stress the use of the computer to perform routine clerical accounting functions. Once students have mastered basic principles of debit and credit, the computer should be used to post, to take trial balances, and to prepare financial statements. In addition, students should have opportunities to:

- master the operation of various software packages used in financial-accounting applications (e.g., spreadsheet, data-base, general-ledger software);
- use software to perform analysis and support for decision-making and problem-solving applications (e.g., the use of spreadsheets to analyse financial statements);
- design spreadsheet templates for columnar journals, work sheets, or accounts-receivable ageing schedules or design data-base formats for subsidiary ledgers.

General-Level Teaching Strategies

In general-level accounting courses, teachers should design learning activities in which students can make use of accounting information. This may be accomplished by involving students in translating material from one form to another (e.g., journalizing from source documents) or by requiring students to interpret financial material (e.g., through a student-prepared summary of the effects of a particular transaction on financial statements).

In order to increase students' awareness of the expectations of business and industry, teachers should provide students with opportunities to practise effective work habits, including punctuality, the efficient use of class and personal time, the completion of assignments on time, and the identification of tasks to be completed.

It is important that, in developing the accounting cycle, teachers provide students with opportunities to engage in manageable tasks and to become aware of how each particular task fits into the complete accounting cycle. The use of flow charts will greatly assist this development. As accounting topics are introduced, a great deal of attention should be paid to the analysis of transactions and to students' understanding of sound debit and credit practices.

Units of instruction should provide opportunities for students to develop an ability to use learned accounting principles in new, concrete situations. The use of practice sets, for example, will allow students to apply rules, methods, concepts, and generally accepted accounting principles (GAAPs), laws, and theories. So that maximum value can be obtained from the use of practice sets, it is recommended that teachers adhere to the following procedures:

- The set should be related to the community, either directly or indirectly, through the identification of businesses in the community similar to those examined in the set.
- The business forms, journals, and ledgers used in the set should be carefully explained.
- The recording of opening entries should be carefully supervised.
- Difficult transactions should be previewed.
- Daily objectives should be established in order to keep the class progressing uniformly.
- Regular evaluation must be planned and should include practice-set tests.

The practice sets used should be varied both in the method of operation and in the equipment they require. The use of manual sets, computer sets, one-write sets, small-business sets, sets requiring machine work, and sets that involve extensive source documents and office procedures will help vary the program and maintain student motivation and interest. Teachers may also wish to set up co-operative sets that involve two, three, or more students, in order to simulate the breakdown of accounting activities among a number of people.

Advanced-Level Teaching Strategies

Students in an advanced-level program should be encouraged to acquire an understanding of accounting concepts and applications. They should have opportunities to participate in activities that require accounting analysis, synthesis, and evaluation. Their understanding of accounting elements should be consolidated through activities that involve the arrangement of these elements in a pattern or structure. This may involve the production of a communication, a plan of operation (research proposal), or a set of abstract relations (a scheme for classifying information). For example, given a case study that describes a simple business, students can be involved in preparing a report, with supporting rationale, proposing an accounting system that will satisfy the business's needs. The case study employed could involve a range of business situations, from simple to complex, depending on students' accounting knowledge at the particular point in the program.

Students in advanced-level courses should be provided with opportunities to develop:

- academic skills, such as the ability to research, write reports, debate, and make oral presentations;
- analytical skills, through the case-study approach;
- evaluative and synthesizing abilities through the creation of accounting systems, procedures, and source documents.

Evaluation of Student Achievement

General suggestions for the evaluation of student achievement may be found in the business studies policy document, *Policy for Program Planning and Delivery*. The following recommendations relate to all accounting courses. Additional suggestions for assessment are included in the “Teaching and Assessment Strategies” section for each accounting course.

The criteria for assessing assignments, notebooks, reports, group work, and oral presentations should be made known to students in advance. As well, the overall weighting of each component of evaluation should be outlined to students at the beginning of the course.

Assessment instruments in accounting should be designed to focus on the particular objective being measured. For example, when students are asked to demonstrate their ability to complete a work sheet, the work sheet should be distributed along with a prepared trial balance. Students should not be asked to journalize and post transactions in order to prepare the trial balance before completing the work sheet.

A knowledge of accounting principles is best evaluated through the use of criterion-referenced tests and examinations. The evaluation of skill performance, or of the speed and accuracy with which students can perform accounting functions, is best determined through problem-performance tests.

In evaluating students’ responses to comprehensive accounting problems or tests, teachers must be careful that their evaluation strategies accurately reflect students’ abilities. To avoid the distortion of marks that results from errors that students make early on in the solving of such problems, teachers can:

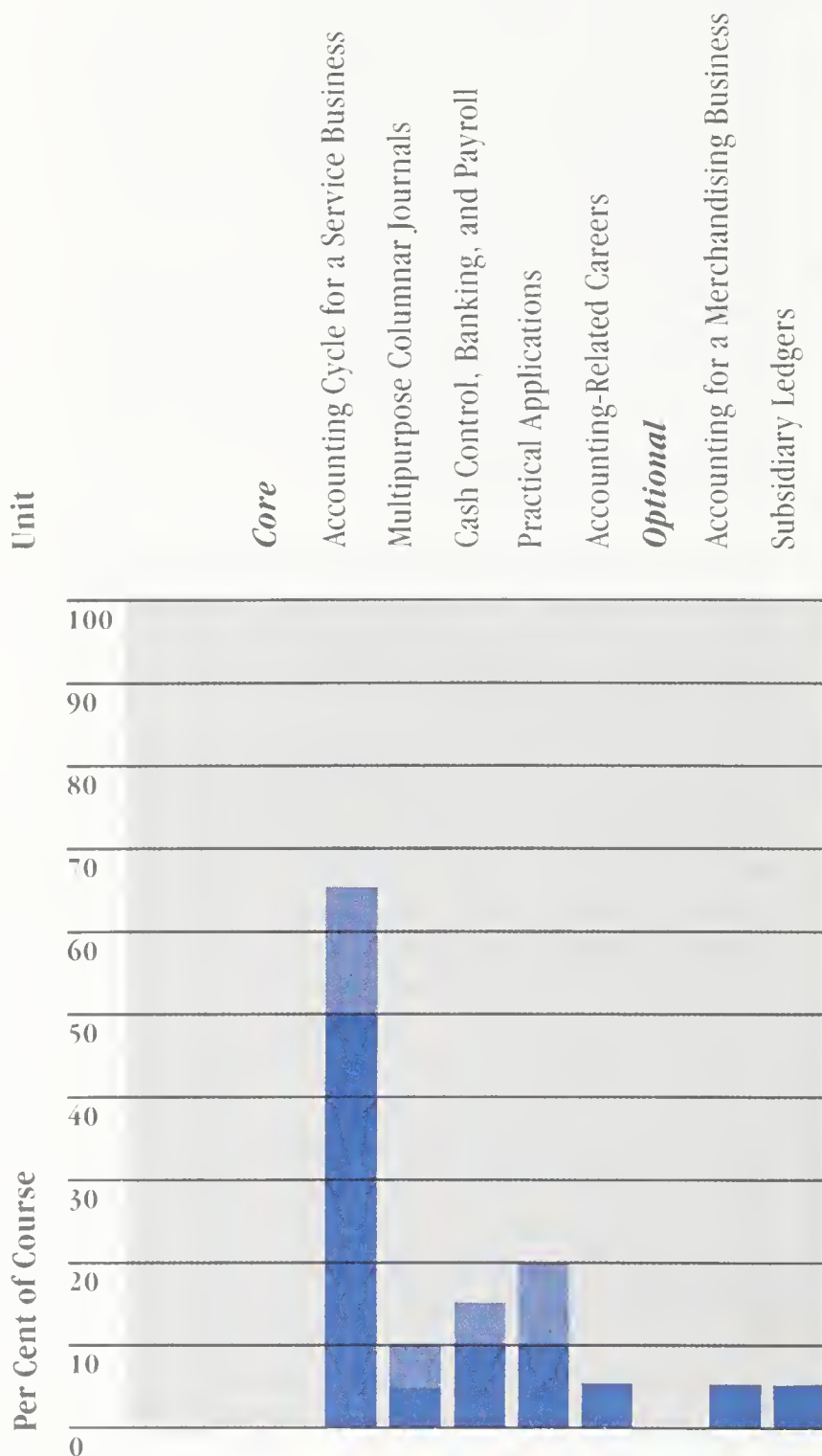
- deduct a mark for the error when it first occurs, but not for its effect on subsequent material;
- grade portions of the material at scheduled stages and permit students to make corrections before proceeding to the next stage;
- use exercises in which each specific procedure or step in the accounting cycle is an entity in itself and must be dealt with independently.

Assessment techniques and instruments should be carefully designed to ensure that students are given opportunities to display the following:

- a knowledge of common accounting terms, specific facts, methods and procedures, and basic concepts and principles. This requires an assessment of students’ memory of specific information or responses that they previously practised in learning activities;
- an understanding of accounting facts and principles. Students might be required to interpret verbal material, charts, and graphs; estimate and predict future consequences; justify methods and procedures; and detect similarities and differences;
- the ability to apply previously learned knowledge and to demonstrate the correct use of a method or procedure in the solution of problems in which at least one element, either in the condition or in the solution required, must be new to the students;
- an ability to break down material into its component parts to demonstrate an understanding of its organizational structure. A test question that requires students to analyse a given set of transaction types in terms of their effect on the balance sheet is an example of how this ability may be evaluated;
- an ability to consolidate accounting elements to reveal a pattern or structure that was not previously clear. For example, students might produce a well-organized theme, a creative letter, or a well-organized speech that integrates learning from different areas into a plan for solving a problem;
- an ability to judge the value of accounting material for a given purpose on the basis of definite criteria determined by the teacher. An assignment that requires students to prepare a report on the acceptability of two sample financial statements is one way in which this ability might be evaluated.

Since the learning objectives for general- and advanced-level courses are different, assessment practices should also be different. In general, evaluation practices in general-level accounting courses should focus on the application of accounting principles, while evaluation practices in advanced-level courses should be directed towards determining the degree of student understanding of particular accounting principles and substantive content.

Accounting Introduction, General Level (BAI)



Introduction

This course is designed for Intermediate or Senior Division students seeking an introduction to accounting theory for their personal use and for those seeking direct employment after completing their secondary school program. It will also meet the needs of students who wish to proceed to further study at the college level in this field. There are no prerequisites for this course, for which students may earn a maximum of one credit.

Fundamental concepts and theories of accounting are introduced, and accounting applications are used to reinforce the principles. This introductory course concentrates on accounting related to business activities and includes relevant personal applications. The core content includes the accounting cycle for a service business, multipurpose columnar journals, cash control and banking, and career awareness.

Students should be provided with opportunities to:

- develop an understanding of accounting terms, principles, and procedures encountered in personal and business financial affairs;
- develop an understanding of modern accounting systems and the application of these systems to business and personal financial record keeping;
- investigate careers and the possibilities for further study in accounting or related fields;
- develop effective business language and communication skills through oral and written presentations;
- develop business work habits and attitudes;
- develop a positive sense of self-worth and a respect for others;
- identify and discuss values issues and values conflicts in business decision making.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this accounting course at the general level and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

Since all general-level accounting courses are primarily vocational, it follows that the primary objective of this first course in the general-level accounting curriculum is to give students a solid background for Accounting Applications (BAA) and Accounting Procedures (BAM) or for further study at colleges of applied arts and technology. For this reason specific teaching strategies will strongly emphasize the procedures and attitudes that are practised in and expected by business and industry.

Students will be required to understand and apply accounting concepts. As each new unit is introduced, students must be aware of how it fits into the complete accounting cycle, have opportunities to practise transaction analysis, and develop sound debit and credit theory. Applications of accounting concepts should be varied and of manageable size.

The following are some specific teaching strategies for delivering this introductory accounting course:

- *Accounting-cycle flow chart*. This chart should be used so that students can relate each new topic to the accounting cycle.
- *Basic accounting equation*. All new accounts should be clearly classified by type. Transactions should be analysed in relation to their effect on the accounting equation. When new accounts or transactions are introduced, they should be based on examples from local businesses, the school environment, or students' personal environment. Students should be required to reason through each transaction.
- *Classroom environment*. Teachers should create an office environment in which students are expected to demonstrate good manners and punctuality, to attend to instructions, and to meet deadlines. Directions should be clear and concise. The use of a flow chart to illustrate the order of the operations for a particular procedure may be helpful.
- *Workbooks and notebooks*. The main advantage to using a workbook is that students will have all of the forms for completing assignments in one place. Notebooks or workbooks should be checked at frequent intervals for completeness, correctness, and appearance.
- *Calculators*. Students should be permitted to use calculators, but teachers should insist on accuracy. If possible, printer calculators should be available, especially for the preparation of trial balances. A brief lesson on estimation skills and reasonableness should be given to reinforce the computational skills performed on a calculator.
- *Careers in accounting*. The Student Guidance Information Service (SGIS) facilities available in the school should be used to help students to identify careers in accounting. Students could be given a scrapbook assignment involving the collection of advertisements for accounting and accounting-related employment. For each advertisement students should identify the nature of the duties assigned, the training required, and the opportunities available for advancement. Students should be aware of other secondary school credits that might complement their accounting program.

- *Variety of applications.* Students should have opportunities to journalize and post from source documents or complete source-document forms from a list of transactions.
- *Practice sets.* These comprehensive problems can help students to see accounting as a whole or continuous cycle. In order to maximize the value of practice sets, teachers can:
 - a) choose a practice set for a business that is familiar to students;
 - b) carefully preview the business documents and forms with students;
 - c) assist students to set up the ledger(s) and record the opening entries;
 - d) preview unusual transactions;
 - e) set daily objectives for the completion of work;
 - f) evaluate students' progress on a regular basis;
 - g) have students use a general-ledger computer program for one of the practice sets.
- *Group work and discussions.* Both of these strategies provide a change of pace and are suitable for the treatment of values and ethical issues, as well as for the analysis of simple case studies.
- *Case studies.* Students should have practice solving problems. They should realize that there may be more than one correct solution to any given problem and should be required to use a problem-solving model that involves (a) identifying the problem, (b) gathering all the facts pertaining to the problem, (c) listing several alternative solutions, and (d) choosing one solution and justifying it.

General suggestions for student assessment are contained in the business studies policy document, *Policy for Program Planning and Delivery*, and in the Introduction to this part of the guideline.

At the beginning of the course, students should be made aware of the evaluation process, the weighting of each of its components, and the cognitive and affective performance objectives to be measured. The evaluation process should include the measurement of the full range of students' cognitive abilities. However, because the general-level program is primarily based on accounting applications, the major emphasis of cognitive-evaluation instruments should be on determining students' knowledge, comprehension, and application of accounting content. Students should have opportunities to display:

- their knowledge of accounting terms, methods and procedures, and basic concepts and principles;
- their comprehension of accounting facts through activities that require them to interpret written material, predict future consequences, and detect similarities and differences in different accounting procedures;
- their ability to apply previously learned knowledge and to demonstrate correct methodology when a minimum of one element in the accounting equation is new.

The major emphasis in assessing students' affective skills is on assessing their approach to work and interaction with peers and superiors. Although these can be observed, it is also advisable to use techniques such as anecdotal reports, checklists, rating scales, and self-evaluation instruments in their assessment. Students should be aware of acceptable standards of behaviour and of the weighting of work habits in the total evaluation process. Information resulting from such assessment should be communicated to students frequently in a formative manner, and student improvement should be reinforced.

The following are some specific suggestions for the evaluation of students in Accounting Introduction:

- *Unit or subunit tests.* Tests of this type should be short and should be used frequently. Each test should include the three types of questions: recall, application, and evaluation.
- *Class assignments.* These are a good way to test complicated applications.
- *Workbooks or notebooks.* These should be evaluated frequently for completeness, accuracy, and appearance.

- *Scrapbooks.* For the unit on careers in accounting, students could be required to set up and maintain a scrapbook.
The evaluation of these scrapbooks should be based on the number and quality of the articles collected and on students' descriptions of careers and the required educational preparation for them, as well as on the general appearance and neatness of the scrapbook itself.
- *Written and oral presentations.* In the unit on careers in accounting students could be required to make written and oral presentations. These should be evaluated on the basis of both the quality of the material used and the manner in which it is presented.
- *Work habits.* The teacher and students should jointly establish how students' work habits will be evaluated. The preparation of the evaluation instrument in this way can be an effective teaching and evaluation strategy. It is important, particularly at the beginning of the course, to report student progress frequently.
- *Term tests and formal examinations.* These longer evaluation instruments should contain the same types of questions as do the unit tests used in the course. The weighting of marks on any one topic should not exceed the weighting of the topic in the content section of the course outline. Applications should be short and should test only one skill at a time. For example, journalizing can be tested by providing students with transactions to record; posting can be tested by providing students with the journal entries to be posted.

The following table outlines the units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

Core Units	Per Cent of Course
I. Accounting Cycle for a Service Business	50-65
II. Multipurpose Columnar Journals	5-10
III. Cash Control, Banking, and Payroll	10-15
IV. Practical Applications	10-20
V. Accounting-Related Careers	5
Optional	
VI. Accounting for a Merchandising Business	5
VII. Subsidiary Ledgers	5

Units VI and VII are optional. As these two topics are included in units of content for Accounting Applications and Accounting Procedures, it is expected that schools offering these courses would include these units in the subsequent respective courses.

Course Content

The main items of course content for each unit are outlined in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.

I. Accounting Cycle for a Service Business



Core Content

Students will:

1. **prepare a balance sheet for personal use and for a sole proprietorship;**
 - state the purpose of a balance sheet;
 - understand the standards required in the preparation of a balance sheet;
2. **develop the fundamental accounting equation;**
 - understand the categories of asset, liability, and capital accounts;
 - identify accounts in each of the above categories;
 - manipulate a given transaction to reflect changes in the balance sheet;
 - understand the theory of debit and credit;
 - analyse and record transactions in "T" accounts;
 - prepare a new balance sheet incorporating the changes made to the "T" accounts;
3. **understand and operate a general journal;**
 - explain the advantages of recording transactions in a general journal;
 - set up a general journal;
 - record opening entries;
 - prepare simple and compound entries;
 - practise writing explanations for journal entries;
 - understand and analyse source documents;
 - rewrite explanations referring to source documents;
 - state methods of filing source documents;
 - prepare journal entries that meet accounting standards of neatness, accuracy, and legibility;
4. **understand the function of the general ledger;**
 - set up a general ledger;
 - understand the chart of accounts and its importance;
 - perform proper posting procedures;
5. **prepare a trial balance;**
 - understand the significance of taking a trial balance;
 - take a quick trial balance using the zero-proof method with a calculator;
 - learn methods to detect errors;
 - demonstrate proper correcting methods, including the use of correcting entries;
6. **understand revenue, expense, and drawings accounts as they relate to the owner's capital account;**
 - understand changes to the owner's capital account caused by the following types of accounts: revenue, expenses, and drawings;
 - identify the need for a specific period of time for measuring revenue and expense (i.e., the accounting period);
 - prepare simple income statements for service organizations;
 - apply debit and credit theory to revenue, expense, and drawings accounts;

7. **use six-column work sheets to prepare information for financial statements;**

- record trial-balance data on a work sheet;
- extend trial-balance data to the proper work-sheet columns;
- balance work sheets for both net-income and net-loss situations;

8. **prepare financial statements from a six-column work sheet;**

- determine the order of liquidity of assets and the order of payment for liabilities;
- classify the assets and liabilities for the balance sheet;
- prepare an income statement and balance sheet from a six-column work sheet;

9. **identify the need for closing entries;**

- understand the purpose of closing entries;
- journalize closing entries and post to ledger accounts;

10. **summarize the steps in the accounting cycle;**

- prepare an annotated chart of the accounting cycle.

Optional Content

Students will:

1. *identify the need for simple adjusting entries;*

- understand the concept of matching and updating the books at the end of the accounting period;
- understand the preparation of adjusting entries which involve the apportionment of cost (e.g., prepaid expenses, fixed assets, and supplies);
- use an eight-column work sheet to record adjustments;

2. *journalize and post adjusting and closing entries and prepare a post-closing trial balance;*

- incorporate adjusting and closing concepts into a practical application.

II. Multipurpose Columnar Journals

Core Content

Students will:

1. **identify the need to expand or modify the general journal to record transactions for a small business;**

- define *multipurpose columnar journal* and state the journal's purpose;
- understand that columns are based on the needs of business;

2. **analyse and record transactions in a multipurpose columnar journal;**

- compare this method of recording transactions to that used in a two-column journal;
- record a series of transactions in, and then cross-balance, a multipurpose columnar journal;
- forward column totals from one page to another;
- understand methods of error detection;
- post the multicolumn journal to the general ledger.

Optional Content

Students will:

– *apply columnar-journal concepts to applications requiring special-purpose columnar journals;*

- prepare journal entries for a special-purpose journal such as a sales journal.



III. Cash Control, Banking, and Payroll



Core Content

Students will:

1. **identify the need for cash control;**
 - examine the purpose of cash control within a business;
 - identify the elements of cash control;
2. **examine banking procedures;**
 - understand the types of bank accounts available to both persons and businesses and the documentation necessary for opening and operating a personal account;
 - understand the following banking terminology: deposits, withdrawals, outstanding cheques, NSF cheques, postdated cheques, debit and credit memos, drawer, drawee, payee, endorsements;
 - demonstrate how to write and endorse cheques;
 - understand the function of magnetic ink character recognition (MICR);
 - list the additional services that banks offer to businesses and individuals (e.g., electronic transfer of funds, pre-authorized cheque plans, overdrafts);
3. **prepare a personal bank reconciliation from source documents;**
 - describe how the preparation of a bank-reconciliation statement aids cash control;
 - identify the types of errors that can be detected by reconciling a personal bank statement;
4. **identify the need for a petty-cash system;**
 - describe how a petty-cash imprest fund aids cash control;
 - examine the purpose of a petty-cash fund;
 - journalize the establishment, replenishing, and expansion of a petty-cash fund;
5. **understand the use of the cash-register as a cash control in a small business;**
 - understand the information provided by the cash register;
 - understand the functions on a cash register;
 - examine point-of-sale data-entry terminals;
 - journalize and post accounting entries from a cash-register summary tape;
6. **understand an employee's statement of earnings;**
 - analyse employee-earnings statements;
 - understand Canada Pension Plan, unemployment-insurance, federal income-tax, and OIIP deductions;
 - understand union and employee-association dues deductions;
 - understand voluntary payroll deductions (e.g., for bonds, credit union, Blue Cross, charities);
 - understand the regulations of the Ontario Employment Standards Act as it applies to minimum wage, overtime pay, and vacation pay;
 - understand that employers must contribute to the Canada Pension Plan and unemployment insurance on behalf of their employees.

Optional Content

Students will:

1. *prepare a bank reconciliation for a business;*
 - use business and bank source documents;
 - prepare journal entries arising from a bank reconciliation;
 - handle detected bank and individual errors;
2. *explain the function of bank credit cards within the business community;*
 - examine the costs and pitfalls of credit-card sales from the standpoint of a business;
 - identify the advantages to business of accepting credit-card sales;
3. *understand the payroll journal;*
 - examine the function of the payroll journal;
 - enter prepared transactions in a payroll journal.

IV. Practical Applications



Core Content

Students will:

- **complete comprehensive accounting-application problems that will involve all of the major concepts and procedures introduced in the course;**
 - complete two practice sets, the first to cover the accounting cycle to the end of unit I and the second, at the end of the course, to include as many applications of the later topics as practical;
 - use a general-ledger computerized accounting system in place of a manual system to complete a practice set;
 - complete additional computer applications, such as using a spreadsheet as a columnar journal or payroll journal.

Optional Content

Students will compare and contrast accounting procedures in a manual and in a computer environment.

V. Accounting-Related Careers

Core Content

Students will:

1. **identify various accounting-related careers;**
 - understand the following professional accounting designations: Chartered Accountant (CA), Certified Management Accountant (CMA, formerly RIA), and Certified General Accountant (CGA);
 - hear career presentations from professional accountants;
 - understand the functions of employees in junior management (e.g., payroll supervisor, office manager, accounts-receivable supervisor);
 - understand the duties of employees in clerical positions (e.g., accounts-receivable clerk, accounts-payable clerk, payroll clerk, costing clerk, data-entry clerk);
2. **outline the basic educational requirements for entry into business programs at the college level;**
3. **collect advertisements for accounting positions and categorize the positions according to the stage of the accounting cycle with which they are involved;**
4. **plot a sample education and career path leading to the designation of their choice.**

VI. Accounting for a Merchandising Business (Optional)

Core Content

Students will:

1. **distinguish between a service business and a merchandising business;**
 - identify the activities of a merchandising business;
 - compare and contrast local service and merchandising businesses;
2. **analyse, journalize, and post transactions that affect all new accounts for a merchandising business;**
 - identify the purpose of the new accounts used by a merchandising business: merchandise inventory, sales, sales returns and allowances, freight in (transportation in), purchases, purchase returns and allowances, and delivery expense.

Optional Content

Students will:

1. *identify the changes necessary in the income statement for a merchandising business;*
 - explain the modification of the revenue section of the income statement;
 - understand the cost-of-goods-sold section on the income statement;
 - prepare a schedule of cost of goods sold;
2. *calculate and journalize Ontario Sales Tax transactions.*

VII. Subsidiary Ledgers (Optional)

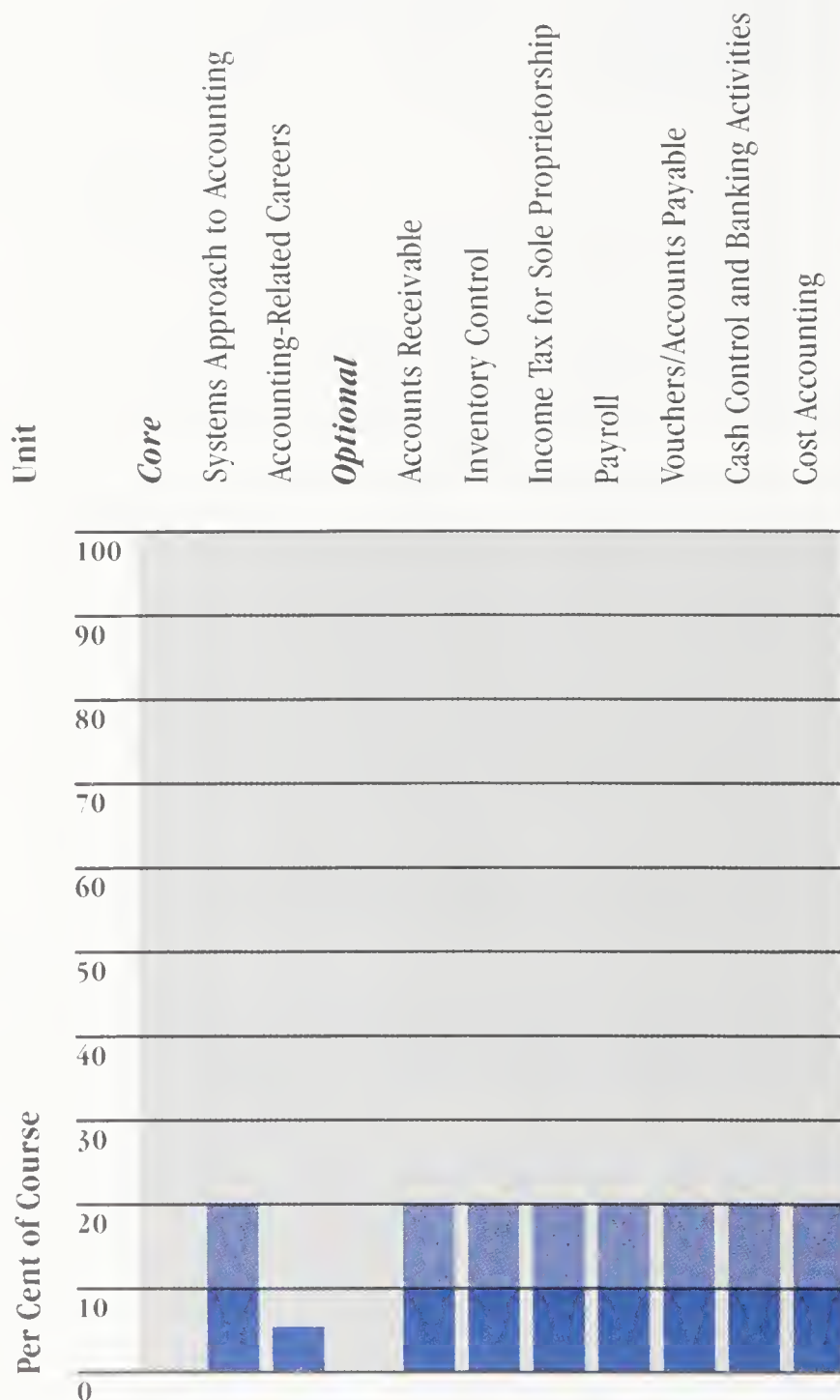


Core Content

Students will:

1. **understand the need to expand the ledger;**
 - define *subsidiary ledger* and state the ledger's purpose;
 - illustrate that growth in a business requires that more people be involved in accounting tasks;
2. **perform the tasks relating to a multiledger system;**
 - journalize and post transactions in a multiledger system;
 - balance a multiledger set of books;
 - illustrate how the work of one person relates to and balances or controls the work of another;
 - illustrate the presentation of accounts receivable or accounts payable on the balance sheet when a multiledger system is used.

Accounting Applications, General Level (BAA)



Introduction

This Senior Division course is designed to meet the needs of students who are considering postsecondary employment in an accounting-related career. It will also provide a background in accounting applications for students who plan to study further in an accounting field. Both manual and computerized accounting systems will be used. This course concentrates on practical applications of the accounting theory presented in a previous accounting course. The prerequisite for the course is either Accounting Introduction (BAI) or Accounting (BAC). Students may earn a maximum of one credit in this course.

Students should be provided with opportunities to:

- develop an understanding of modern accounting systems and applications;
- develop an understanding of accounting terms, principles, and procedures encountered in specific applications;
- complete at least two accounting applications units using computer technology;
- develop an understanding of the uses and significance of accounting information and reports;
- investigate careers and possibilities for further study in accounting or related fields;
- develop effective business language and communication skills through oral and written presentations;
- develop the ability to think critically, arrive at decisions using reason and initiative, and apply problem-solving models to relevant situations;
- develop business work habits and attitudes;
- develop a positive sense of self-worth and a respect for others;
- identify and discuss values issues and values conflicts in business decision making.

Schools that are offering a three-credit, general-level accounting program should note that two of the optional units must be included in an Accounting Procedures (BAM) course. It will be necessary to co-ordinate the selection of optional units to avoid overlap.

Students must have opportunities to perform at least two of the applications on computers, using appropriate business-accounting software.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this accounting course at the general level and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

The following are specific teaching strategies for Accounting Applications:

- *The use of the local business community as a resource.* Because of the vocational nature of the course, local business needs should be considered when topics and specific applications are chosen for this course. Local businesses can be used as locations for field assignments, as sources of guest speakers, as resources for information about current accounting systems and procedures, and as sources of employment for students.
- *Computer applications.* Students shall have opportunities to use a computerized accounting system in performing procedures for at least two of the topics. After learning the relevant accounting concepts and applying them to a manual system, students should prepare the same type of data on input forms designed for the specific fields in the program. This very important step will facilitate their use of the program. Examples of input forms are usually found in the computer program manual, but teachers can also design examples by viewing the fields of the program displayed on the screen. Students should be provided with step-by-step instructions for operating the program. After performing a computer-assisted application, students should examine the accounting concepts involved in relation to the computerized accounting system; they should consider the preparation of data, the manual steps that are eliminated, the steps that are added, the controls, and the information generated. Students should also have opportunities to use spreadsheet programs for applications that require multicolumn journals and data-base programs for setting up and recording changes to subsidiary ledger accounts.

-
- *On-the-job training.* This course is particularly suited to a co-operative education mode of delivery. The in-school component of such a program would stress accounting concepts and systems, while the work placements would provide students with experiences in a variety of applications.
 - *Field reports.* Students should have opportunities to examine the systems used in business to produce products, control inventory, and process accounting data.
 - *Flow charts.* Students should prepare flow charts or diagrams for each new application to illustrate how different tasks fit into the overall system. From these charts students should be able to identify the flow of source documents, the use of the reports generated, the control features, and the filing methods used.
 - *Use of source documents and current forms and tables.* The use of current material makes the course more practical. In presenting the payroll unit, for example, teachers should provide students with current payroll-deduction tables (obtainable from Revenue Canada, Taxation). Tax forms, guides to standard finance statements, and other tax information for sole proprietors may be obtained at district tax offices.
 - *Work habits.* Students should identify the qualities that employers are looking for and develop, with their teachers, a checklist or rating system to evaluate their acquisition of them. An evaluative tool such as this can be used in a formative manner to help students improve their work habits.
 - *Group work.* Some of the applications include systems that are suitable for group assignments. Each student in a group should be assigned a specific task within the system. The whole group would then co-ordinate the tasks and complete the work. Simulated activities such as this help students to understand the division of duties, system-control features, the ordering of steps in a task, and the importance of co-operation and teamwork. It is important that students examine their roles and those of the other group members in order to determine their interrelationships.

- *Case studies.* The course topics offer many opportunities to use case studies that deal with business problems and values issues. Students can provide their own case studies from their personal experiences or observations at co-operative education work placements, on field trips, or at their own places of employment. General-level programs should provide students with opportunities to analyse, synthesize, and evaluate. Students should use a problem-solving model in dealing with case studies and should be aware that there may be more than one solution to any given problem.

Because of the vocational nature of this course, a strong emphasis should be placed on the evaluation of students' affective skills (e.g., work habits, approach to peers and superiors), as well as of their cognitive skills. Diagnostic and formative evaluation (e.g., pretests, homework follow-ups) as well as summative evaluation should take place.

The following are some specific techniques for the assessing of students in Accounting Applications:

- *Unit or subunit tests.* These tests should contain problems that test students' knowledge of accounting terms, accounting concepts, and methods and procedures associated with a topic.
- *Unit assignments.* For each unit students should be evaluated on their ability to apply concepts associated with a particular topic to at least one comprehensive problem. Assignments should be evaluated on accuracy of data, attention to procedures, and appearance. For computer-application assignments, students should be evaluated on both their data-input forms and their printed reports.
- *Work habits.* Students should be aware of the way in which their work habits will be evaluated. Formative evaluation should be done on a regular basis, and improvement in students' work habits and attitudes should be reinforced. Teacher observation, anecdotal reports, and behaviour checklists are useful for this purpose.
- *Written or oral reports.* The content section of this course indicates a number of areas for which reports would be suitable evaluation instruments. Students should be given an outline or format to follow to assist them in the gathering and organizing of required material. Reports should be evaluated on both the quality of their content and the effectiveness of their presentation.
- *Term tests and formal examinations.* These more comprehensive evaluative instruments test a number of units of content. They should contain the same types of questions as do the smaller unit tests used in the course. The weighting of marks for a particular unit must correspond to the emphasis indicated in the course content. However, because the emphasis in this course is on practical applications, objective testing should not form the major portion of students' final marks.

The following table outlines the units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Units I and II and a *minimum* of any five of the optional units must be included in the course. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

Core Unit	Per Cent of Course
I. Systems Approach to Accounting	10-20
II. Accounting-Related Careers	5
Optional	
III. Accounts Receivable	10-20
IV. Inventory Control	10-20
V. Income Tax for Sole Proprietorship	10-20
VI. Payroll	10-20
VII. Vouchers/Accounts Payable	10-20
VIII. Cash Control and Banking Activities	10-20
IX. Cost Accounting	10-20

Course Content

The main items of course content for each unit are outlined in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.

I. Systems Approach to Accounting

Core Content

Students will:

1. **examine the systems approach to accounting;**
 - define *system* as an organized, step-by-step approach to completing a task;
 - understand the interrelationships among all parts of the system and among the people performing the tasks;
2. **prepare a report on an accounting system for a local business;**
 - interview a local businessperson and present either orally or in written form a report based on the interview;
 - include in their reports source documents and diagrams outlining the major steps in the system;
3. **compare and contrast two methods of recording accounting data;**
 - explain the manual and computer operations in a simple accounting system;
 - compare the one-write system and the manual system for recording journal entries and posting to ledger accounts;
 - prepare a flow chart of these systems of preparing accounting data.

II. Accounting-Related Careers

Core Content

Students will:

- **describe the nature of the common accounting jobs that are related to the topics of the course;**
 - examine this topic throughout the course;
 - examine related careers at both supervisory and non-supervisory levels for each major topic;
 - explain the entry requirements for these jobs;
 - list the requirements for entry to accounting courses at community colleges;
 - examine accounting-designation – Certified General Accountant (CGA) and Certified Management Accountant (CMA) – training requirements.

Optional Content

Students will:

- *practise and apply their communication skills;*
 - select from a variety of classified job advertisements for accounting positions one that appeals to them and develop a letter of application and a résumé in response to that advertisement.

III. Accounts Receivable (Optional)

Core Content

Students will:

1. operate an accounts-receivable system;

- examine the need for subsidiary ledgers;
- define and state the purpose of subsidiary ledgers;
- apply the following aspects of an accounts-receivable system: journalizing where there is a subsidiary-ledger system, direct posting, control accounts, trial balance, list of cash received from customers, sales invoices;
- identify and state the purpose of accounts associated with the revenue category of a merchandising business (e.g., sales, sales returns and allowances, sales discounts);
- illustrate how the work of one person relates to and balances/controls the work of another;
- explain the essential items in sales and credit invoices;

2. perform the tasks related to an accounts-receivable system;

- verify extensions;
- calculate sales tax;
- understand terms of sale and discounts;
- calculate discounts;
- analyse invoices and record them directly to customer accounts;
- demonstrate correct posting procedures;
- credit customer accounts for payments received;
- prepare a trial balance (summary) of an accounts-receivable ledger;
- understand billing procedures and cycle billing;
- understand and prepare a statement of account;
- prepare an ageing analysis of accounts receivable;
- understand credit limits and reporting;
- perform sales analyses;
- understand collection procedures;

3. use a manual, one-write, or computerized accounts-receivable system;

4. identify the effect on the balance sheet of the creation of an accounts-receivable ledger;

- prepare a limited number of schedules and balance sheets.

Optional Content

Students will:

– process notes receivable as part of an accounts-receivable system;

- understand banking procedures for notes;
- journalize notes receivable;
- discount notes receivable;
- understand the procedures to follow when a note is dishonoured.

IV. Inventory Control (Optional)

Core Content

Students will:

1. **distinguish between a service business and a merchandising business;**
 - examine the activities of a merchandising business;
 - identify local service and merchandising businesses;
 - distinguish between supplies and inventory;
2. **understand the new accounts required by a merchandising business;**
 - understand the function of the following accounts: inventory, sales, sales returns and allowances, purchases, purchase returns and allowances, transportation on purchases, purchase discounts;
 - analyse and record transactions for these new accounts;
3. **identify the need to include cost of goods sold as a part of the income statement of a merchandising business;**
 - calculate the cost of goods sold;
 - prepare a schedule of the cost of goods sold;
 - prepare an income statement for a merchandising business;
 - understand the need to include a merchandise inventory account in the asset section of a balance sheet for a merchandising business;
4. **identify the need for inventory management;**
 - list the reasons why firms must manage inventory;
 - explain the need for a periodic physical count of inventory;
5. **examine periodic-inventory systems;**
 - understand the accounting records necessary to establish a periodic-inventory system;
 - explain gross margin (profit) and its effect on net income;
 - explain the importance of security systems for inventory;
 - understand the effect of shrinkage on employer-employee relationships;
 - understand *goods in transit*;
6. **examine the perpetual-inventory system;**
 - prepare a flow chart of a perpetual-inventory system;
 - compare periodic- and perpetual-inventory systems;
 - identify the characteristics of businesses that would use a perpetual-inventory system;



7. operate a perpetual-inventory system;

- understand the use of the following: stock cards, requisitions, receiving reports, packing slips, sales-invoice copies;
- prepare an inventory report;
- understand the checking function;
- update records;
- understand the reordering process;
- understand the physical-inventory process in relation to inventory loss;
- understand inventory valuation (i.e., last in, first out; first in, first out; average cost);
- examine the inventory system in a school store;
- use a computer application for inventory control.

Optional Content

Students will:

- *report on the inventory system used by a local retailer or wholesaler;*

- identify the type of inventory system used for inventory control and for financial reporting;
- identify the method of inventory valuation used;
- examine and identify forms used for inventory record keeping;
- identify control procedures;
- prepare a diagram or flow chart illustrating the inventory system;
- prepare a written or oral report on the inventory system.

V. Income Tax for Sole Proprietorship (Optional)



Core Content

Students will:

1. determine business income for tax purposes;

- understand the importance of maintaining accurate financial records for income-tax reporting;
- determine income and expenses according to Revenue Canada regulations;
- calculate capital-cost allowances where applicable;

2. prepare Revenue Canada financial statements for a sole proprietorship;

- use financial-statement forms provided by Revenue Canada for business income and expenses;
- understand the importance of choosing a convenient fiscal year for tax purposes;
- identify the requirement for periodic tax payments by self-employed persons;

3. prepare a personal tax return for a self-employed person;

- complete current T1 General forms;
- enter business income in the appropriate place;
- calculate and enter Canada Pension Plan contributions for a self-employed person;
- use a computer program to complete a tax return.

Optional Content

Students will:

1. *complete a simple personal-income-tax return that includes the provincial tax credit;*
 - complete a current T1 General form, including the Ontario Tax Credit Schedule;
2. *list and calculate personal exemptions and deductions;*
 - identify and record the following on a personal tax return: Canada Pension Plan or unemployment-insurance benefits, interest income, dividend income, investment-income deductions, tuition, education deductions, personal exemptions for spouse and dependent children, child tax credit, registered-pension-plan contributions, registered-retirement-savings-plan contributions;
 - identify the various forms to be included with an income-tax return (e.g., T4s, T5s).

VI. Payroll (Optional)

Core Content

Students will:

1. **outline the steps in the payroll system;**
 - prepare a flow chart of a payroll procedure;
2. **operate a payroll system for a small business;**
 - determine pay from source documents;
 - calculate gross pay;
 - complete a TD-1 form;
 - use current government tables relating to payroll deductions;
 - list the deductions that involve shared contributions;
 - understand the benefits derived from various payroll deductions and how the cost of these benefits is met;
 - operate a payroll register or journal;
 - issue payroll cheques;
 - prepare an employee statement of earnings;
 - maintain earnings-record cards;
 - list the methods of paying employees;
 - use a one-write payroll system;
 - use a computer program to operate a payroll system;

3. record journal entries associated with each payroll period;

- record in a journal payroll liabilities documented on the payroll register;
- record employer expenses resulting from Canada Pension Plan, unemployment-insurance, and other shared contributions;
- record the actual payment of employees;
- post these journal entries to general-ledger accounts;

4. record remittances of payroll liabilities;

- identify payment date and payee for payroll liabilities (Canada Pension Plan contributions, unemployment-insurance premiums, income-tax deductions, OHIP premiums);
- journalize the payment of payroll liabilities.

VII. Vouchers/ Accounts Payable (Optional)

Core Content

Students will:

1. operate an accounts-payable system for a small business;

- prepare a diagram of a purchase routine;
- review the need for subsidiary ledgers. (*Note:* Students may not have covered this topic previously.);
- apply the following aspects of an accounts-payable system: subsidiary ledger, direct posting, control accounts, trial balance, invoices;
- examine the use of the following: purchase requisitions, purchase orders, purchase invoices, credit invoices, packing slips;
- understand terms, shipping arrangements, and cash discounts;
- understand the procedure for the authorization and requesting of payments;
- understand the need for a matching process for source documents;
- post to general-ledger accounts;
- prepare a trial balance (summary) of an accounts-payable ledger;
- use a computer program to operate an accounts-payable system;

2. describe a typical voucher system;

- discuss the voucher system as a control method for cash payments;
- prepare a flow chart of a typical voucher system;
- understand the adaptability of the voucher system to various business needs;

3. operate a voucher system for a business;

- understand the voucher jacket and voucher form;
- understand the use of the following: purchase requisitions, purchase invoices, packing slips, receiving reports, credit invoices;
- understand the steps to follow in verification;
- file paid and unpaid vouchers;
- calculate discounts;
- understand voucher number control;
- maintain a voucher register and a cheque register;
- understand the use of a voucher cheque;
- understand posting procedures for the voucher and cheque registers;
- post the voucher register and cheque register to general-ledger accounts;
- prepare a summary of unpaid vouchers;
- understand the relationship between an unpaid-voucher summary and a vouchers-payable account balance.

VIII. Cash Control and Banking Activities (Optional)



Core Content

Students will:

1. learn and apply control procedures for cash receipts;

- understand the reason for depositing cash receipts intact on a daily basis;
- understand the importance of separating the handling and recording of cash;
- understand the importance of safekeeping and accountability for cash;
- understand the importance of the cash register as a means of cash control;
- prepare a cash proof;
- understand the need for the account “cash short and over”;
- identify the purpose of giving cash discounts for prompt payment;
- identify the purpose of using prenumbered source documents;
- identify the purpose of using restrictive cheque endorsements;
- journalize and post cash transactions to cash-receipts journals and related ledgers;

2. learn control procedures for cash payments;

- identify the advantages of making payments by cheque;
- identify the advantages of requiring authorization for payments;
- identify the advantages of taking cash discounts;
- identify the advantages of separating cheque writing and recording functions;
- identify the advantages of using a petty-cash imprest system;
- journalize and post cash transactions to cash-receipts journals and related ledgers;

3. prepare a bank-reconciliation for a business;

- use business and bank source documents;
- prepare a bank-reconciliation statement to obtain an accurate cash balance;
- prepare journal entries arising from bank reconciliation;
- describe suitable courses of action for handling detected bank and business errors;
- explain how preparing a bank reconciliation relates to cash control.

Optional Content

Students will:

– *prepare a report on an actual cash-control system;*

- report on the system used for a school dance, the school store, the school cafeteria, or a neighbourhood business.

IX. Cost Accounting (Optional)

Core Content

Students will:

1. compare service, merchandising, and manufacturing businesses;

- describe the general characteristics of each type of business;
- list local examples of each type of business;

2. identify manufacturing costs;

- understand the following: direct materials, direct labour, overhead;
- explain the need for cost accounting to determine price and profitability;

3. complete job-cost sheets;

- understand material requisitions;
- prepare labour-ticket and overhead distribution;
- do summaries of job costs;
- use a computer program to prepare job costs;

4. prepare a flow chart of the operation of a manufacturing business;

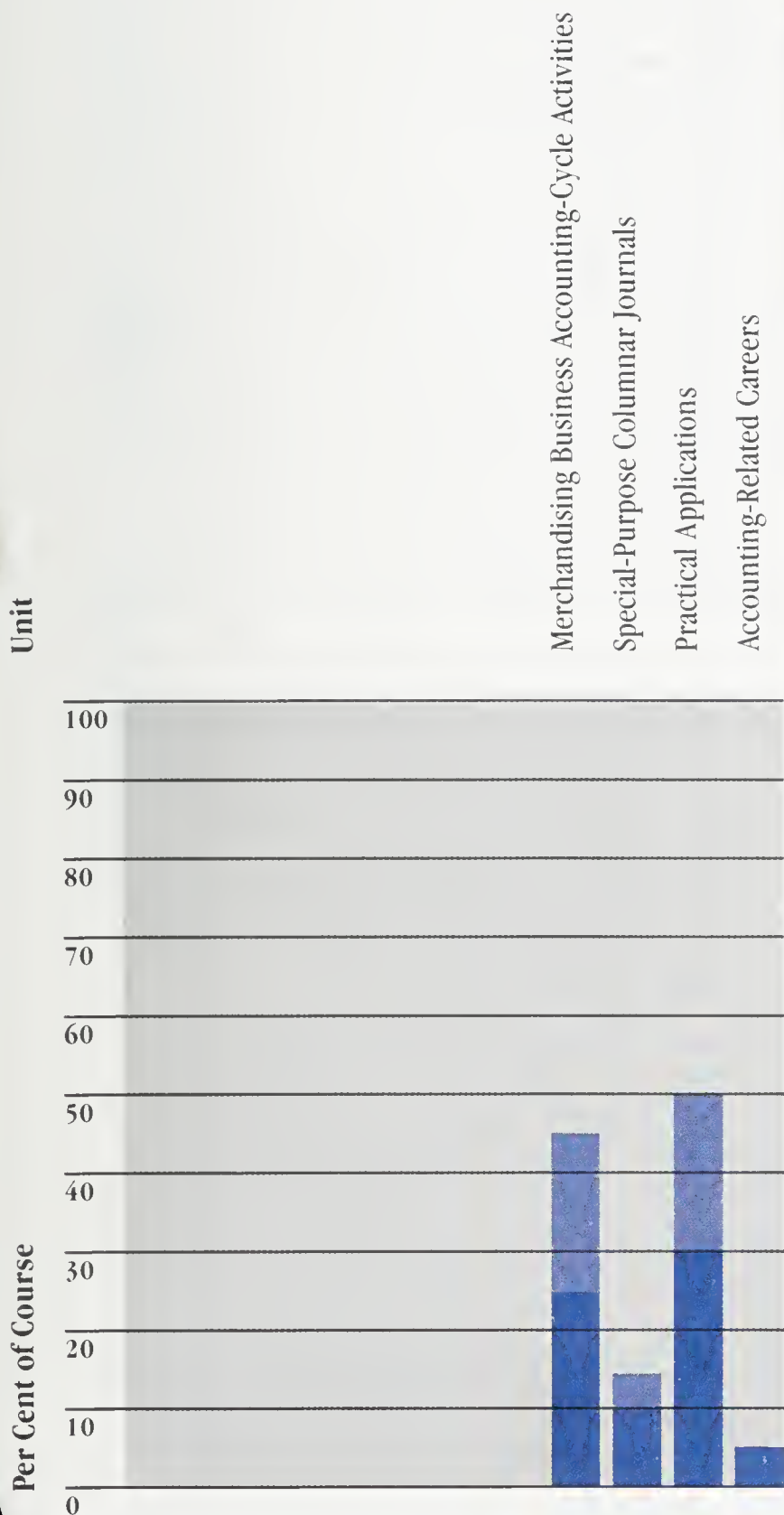
- understand the following: inventories for raw materials, goods in process, finished goods.

Optional Content

Students will:

1. *apply costs to work in process;*
 - identify the costs of the raw materials and the direct labour involved in work in process;
 - calculate overhead rate;
 - apply overhead rate to determine the total cost of work in process;
 - record journal entries to establish work-in-process inventory;
2. *apply costs to work completed;*
 - identify direct material, labour, and factory overhead costs;
3. *identify differences between job-cost and process-cost systems;*
 - identify a number of businesses in the community that use each of these cost systems;
4. *prepare a statement of the cost of the goods manufactured.*

Accounting Procedures, General Level (BAM)



Introduction

This third course in the general-level accounting program further develops the accounting theory and procedures covered in Accounting Introduction (BAI) and Accounting Applications (BAA), with an increased emphasis on practical business applications. It is intended for Senior Division students who expect to seek employment on completion of their secondary school program or who may wish to study accounting at the college level. Accounting Introduction (BAI) or Accounting (BAC) is a prerequisite for this course, for which students may earn a maximum of one credit.

The topics in Accounting Procedures include accounting for a merchandising business, specialized journals and ledgers, adjusting and closing the books, and several in-depth practical applications.

Students should be provided with opportunities to:

- develop an understanding of the accounting terms, principles, and procedures that are included in the course content;
- develop an understanding of modern accounting systems and of applications of these systems that relate to the units of the course;
- develop an understanding of the uses and significance of accounting information and reports;
- investigate careers and possibilities for further study in accounting or related fields;
- develop effective business language and communication skills through oral and written presentations;
- develop the ability to think critically, arrive at decisions using reason and initiative, and apply problem-solving models to relevant situations;
- develop business work habits and attitudes;
- develop a positive sense of self-worth and a respect for others;
- identify and discuss values issues and values conflicts in business decision making.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this accounting course at the general level and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

Since Accounting Procedures is a second Senior Division course in the general-level accounting program and draws two units of study from the optional units in Accounting Applications, essentially the same teaching and assessment strategies recommended in that course are applicable here.

Accounting Procedures is an accounting-applications course that permits the student to:

- consolidate previously learned accounting concepts and practices;
- build on previously learned accounting concepts and practices with new knowledge;
- gain additional practice with processing accounting information using a variety of information-processing methods (i.e., manual, one-write, and computer).

The primary pedagogical technique to use in this course is the application case study. In unit I, Merchandising Business Accounting-Cycle Activities, for example, an application case study that has several cycles might be selected. The first cycle should be used as a “teaching” cycle, to review and consolidate the set of accounting activities performed for a merchandising firm. Students should then progress through a second cycle, working either independently or in groups; for example, the subsidiary ledgers can be split up between two posting clerks. Refer to earlier sections in this document that discuss approaches to the teaching of practice sets.

At this time it would be ideal to take the manual merchandising-firm practice set and apply it to a general-ledger computer program. Students have completed two previous accounting courses and mastered fundamental computer-augmented accounting concepts. They should now be prepared to apply a general-ledger software package to a practice set with which they have become familiar. After completing an accounting cycle for a merchandising business using both methods, the students should have acquired the knowledge, skills, and attitudes necessary for preparing a report comparing and contrasting the processing of accounting information in a manual and computer environment.

The accounting concepts in unit II, Special-Purpose Columnar Journals, should be based on the students’ practical experiences in journalizing in a two-journal system in the merchandising application. Spreadsheet programs are useful in this section for preparing columnar journals of different formats and ageing schedules for receivables. Initially students should work with preformatted spreadsheets and then progress to the design of their own spreadsheet application formats. They could use an integrated general-ledger program to examine how this type of program processes the accounting data contained in special journals.

The approach to unit III, Practical Applications, is best described as “integrated”. As already mentioned, application case studies should constitute the predominant strategy for delivering course content. Work with one-write application sets should be approached from both an operational and a comparative point of view. Students should be given opportunities to express the advantages and disadvantages of various information-processing methods, such as the one-write method, the computer method, and the manual method. Refer to earlier comments made in the “Teaching and Assessment Strategies” sections of this document for additional comments regarding the teaching of computer-augmented accounting applications.

Oral and written reports on topics to develop students’ career awareness should be the main teaching strategy used in unit IV, Accounting-Related Careers. Students can be asked to identify the supervisory and non-supervisory accounting positions associated with each topic. They could then obtain information from the Student Guidance Information Service about the nature of the work as well as the entry requirements. They could also collect “help wanted” advertisements for each type of position from local newspapers and could identify local businesses that employ people in these kinds of positions. They could then organize their information into a format provided by the teacher. Reports provide students with opportunities to collect information, organize it, and practise their written and oral presentation skills.

The following table outlines the core units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

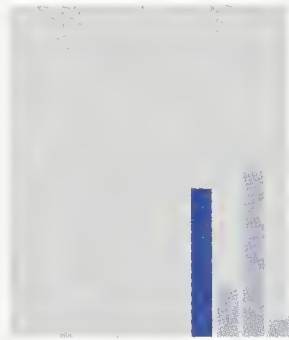
Unit	Per Cent of Course
I. Merchandising Business	
Accounting-Cycle Activities	25–45
II. Special-Purpose	
Columnar Journals	10–15
III. Practical Applications	30–50
IV. Accounting-Related Careers	5

Note: The practical-applications unit must include the two units that were not previously studied in Accounting Applications (BAA).

Course Content

The main items of course content for each unit are outlined in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.

I. Merchandising Business Accounting-Cycle Activities



Core Content

Students will:

- **apply accounting concepts and practices to the accounting-cycle activities associated with a merchandising firm;**
 - prepare a chart of accounts;
 - analyse source documents;
 - record accounting-transaction information from source documents into a general journal or a multi-purpose columnar journal;
 - post journal information into a general ledger and subsidiary ledger(s);
 - prepare trial-balance proofs of the ledger system;
 - prepare an eight- or ten-column work sheet, including the following steps:
 - a) recording the trial balance;
 - b) adjusting for supplies, prepaid expenses, depreciation, merchandise inventory, and bad debts;
 - c) recording the adjusted trial balance if using a ten-column work sheet;
 - d) completing the “income statement” and “balance sheet” columns;
 - e) balancing the work sheet;

- prepare a multistep income statement and classified balance sheet from the work sheet;
- journalize and post adjusting and closing entries;
- prepare a postclosing trial balance;
- prepare a flow chart of the steps in the accounting cycle.

Optional Content

Students will:

1. *prepare additional adjusting entries;*
 - prepare adjusting entries for deferrals such as unearned revenue;
 - prepare adjusting entries for accruals (salaries or wages owing; unrecorded interest expense, unrecorded interest revenue, unrecorded revenue);
2. *understand the need for reversing entries for accrual adjustments;*
 - journalize and post reversing entries.

II. Special-Purpose Columnar Journals

Core Content

Students will:

1. **understand the function of special-purpose columnar journals;**
 - list the advantages of special journals;
 - identify the cash-receipts, cash-payments, sales, and purchases journals;
 - understand the division of labour resulting from the use of special journals, the accountability it creates, and the time it saves by reducing posting;
 - journalize a limited number of transactions in each of the journals, illustrating credit terms, discounts, returns, and the use of control accounts;
 - prove the accuracy of a special journal;
 - perform cross balancing and relate it to the location of errors;



2. **outline the sequence of the sales and purchases routines, from the initial order to the final payment;**
 - identify the role of source documents, the matching process, the division of responsibility, approvals, and controls;
 - prepare flow charts to trace the sales and purchases sequences;
 - use a spreadsheet program to perform an appropriate accounting application (e.g., multipurpose or special-purpose columnar journals);
3. **use case studies involving a variety of business situations requiring decision making and problem solving;**
 - analyse complex case studies using a decision-making model;
 - take part in group decision making by dividing up accounting-cycle tasks among a number of students;
 - demonstrate their written and oral skills;
4. **identify the values issues and possible values conflicts inherent in many business roles and decision-making processes.**

Optional Content

Students will:

- *develop columnar formats for special-purpose columnar journals;*
 - develop formats for sales, cash-receipts, purchases, and cash-payment journals.

III. Practical Applications

Core Content

Students will:

1. **complete at least one comprehensive merchandising business application using an integrated-accounting software program;**
 - complete a practice set for a merchandising company that involves special-purpose columnar journals, a subsidiary-ledger system, and bank reconciliation and covers all the steps in the accounting cycle;
2. **use computer programs to perform accounting applications;**
 - use a data-base program for subsidiary-ledger recordkeeping applications;
 - use a spreadsheet program to complete special-purpose columnar journals;
3. **examine the conflict between loyalty and honesty, between self-interest and co-operation, and between the interests of a business and those of a community;**
4. **complete two of the optional units from Accounting Applications (BAA) that were not selected in the previous course;**
 - use a variety of accounting methods (manual, one-write, and computer-assisted) to perform the accounting tasks related to the units.

IV. Accounting-Related Careers

Core Content

Students will:

- **describe the nature of common accounting jobs related to the units of this course;**
 - examine careers throughout the course;
 - identify careers, at both supervisory and non-supervisory levels, that relate to each major topic;
 - explain the entry requirements for these jobs;
 - identify the requirements for entry to accounting courses at community colleges;
 - examine the requirements for the following professional accounting designations: Chartered Accountant (CA), Certified Management Accountant (CMA), Certified General Accountant (CGA).

Optional Content

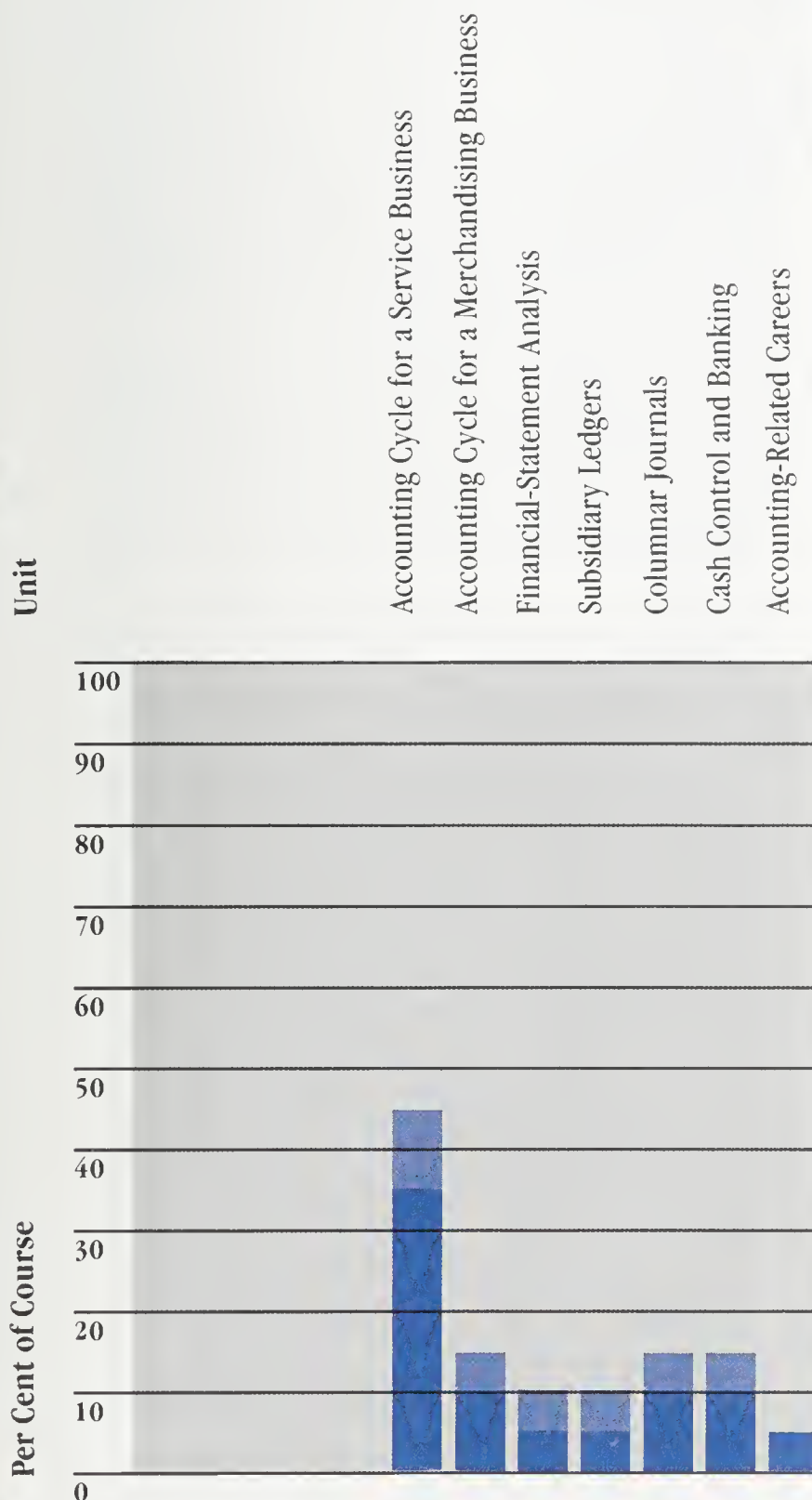
Students will:

- *practise and apply their communication skills (reading, writing, speaking, and listening);*
 - select a classified advertisement for an accounting position and prepare a letter of application and a résumé in response to the advertisement.

Accounting, Advanced Level (BAC)

Introduction

This Senior Division course is designed to equip students with a working knowledge of accounting theory. The basic concepts and theories of accounting related to the sole-proprietorship business are stressed, and accounting applications are used to reinforce an understanding of theoretical principles. This course will serve as the prerequisite for the Accounting OAC (BAC) and for Accounting Systems (BAS). There is no prerequisite for this course, for which students may earn a maximum of one credit.



Students in this course should have opportunities to:

- develop an understanding of the accounting terms, principles, and procedures that are encountered in personal and business financial affairs;
- develop an understanding of the uses and significance of accounting information and reports;
- understand the accounting cycle for both a service and a merchandising firm;
- develop effective business language and communication skills through oral and written presentations;
- develop the ability to think critically, arrive at decisions using reason and initiative, and apply problem-solving models to relevant situations;
- develop business work habits and attitudes.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this accounting course at the advanced level and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

The primary goal of this first course in the advanced-level accounting program is to help students acquire an understanding of accounting theory and principles. The focus for students will be on academic preparation for further study. The recordkeeping function should be kept to a minimum and used only as a framework to help students understand particular accounting principles. Although students in this course will have to know, comprehend, and apply accounting concepts, they must also be given opportunities to participate in learning activities based on course content that require them to analyse, synthesize, and evaluate.

Since the major portion of this course deals with the accounting cycle of a service and/or a merchandising business, it is of paramount importance that students be exposed to those learning activities that involve the consolidation of new accounting elements into an existing framework. Students should see the relevance to the accounting cycle of such discrete topics as subsidiary ledgers or special journals. It should be stressed that these additions do not change the basic framework; rather, the procedures used for certain steps have been improved or modified to meet new conditions.

The following are some specific teaching strategies for the course:

- *The accounting equation.* The accounting equation should be prominently displayed in the classroom and should be used as the basis for analysing all new transactions. Students should be encouraged to focus on what happens to the different elements of the equation as a result of a transaction.
- *The accounting cycle.* A chart that illustrates the steps in the accounting cycle should be a permanent fixture in the accounting classroom. When new topics are introduced, students should be given the opportunity to demonstrate where these new concepts fit into the cycle and to recognize their purpose.
- *Accounting as a system.* Students should be given opportunities to relate new topics to the functions of a good accounting system (i.e., to record, to classify, and to report). Thus, they should recognize that the use of special-purpose columnar journals improves the reporting function for certain types of organization.
- *Practice sets.* Students should complete a practice set or a comprehensive problem at the end of unit I or II. The completion of a practice set serves three functions: it provides students with the opportunity to demonstrate their knowledge of the accounting procedures required to complete the accounting cycle; to evaluate these procedures and to make suggestions for improving the accounting system; and, using simple ratios and percentage analysis, to analyse the changes that took place over the accounting period.

-
- *Computer applications.* After mastering manual accounting techniques, students should be given the opportunity to solve accounting problems using computer accounting programs. Students should first prepare the accounting data on input forms designed for the program and then enter the data on a microcomputer. The follow-up assignment should take the form of a report describing the procedures used to solve the problems on the microcomputer and comparing them with the steps that would be necessary if a manual system were used.
 - *Career investigations.* Unit VII, Accounting-Related Careers, should involve students in identifying careers in accounting, investigating the educational requirements for them, determining the course requirements for obtaining the accounting designations CA, CMA, and CGA, and investigating postsecondary courses in business at colleges and universities. Students could use the Student Guidance Information Service to identify careers in accounting and to obtain current information concerning the educational requirements for the accounting designations. Students should research the secondary school credits they would need in order to enter business programs at various colleges and universities so that they can plan their course selection accordingly.
 - *Oral and writing skills.* Students should be provided with opportunities to practise their oral and writing skills in this course. Appropriate opportunities for the writing of reports are indicated in the content outlined below. It is advisable to provide students with an outline for the organization of their material or to develop a format with them.
 - *Group work.* Group work is an excellent strategy for demonstrating the division of labour in a large accounting system. In order to review and to consolidate what they have learned about subsidiary ledgers and special journals, students could work in groups, which would function as accounting departments. Each student would be assigned a specific task, and all of the tasks would then be consolidated to solve a problem. In addition to solving a problem, each group would report on (or prepare a flow chart showing) the importance of the order of steps, the control features of the system, and the nature of the individual tasks (i.e., whether they are routine or whether they require the use of analytical skills).

- *Case studies.* Case studies can be used effectively to introduce or conclude particular topics. If students are given opportunities to practise an organized approach to problem solving, they can apply this skill to increasingly complex situations. The suggested strategy for problem solving is to identify the problem, list all of the facts that pertain to it, suggest a number of alternative solutions, and then justify the choice of one of the solutions.

Evaluation must correspond to the specific objectives identified for the course. At the onset of the course, students should be informed of the methods of evaluation that will be used and their approximate weighting. Both measurable and observable criteria should be used to evaluate students' approach to their work, their peers, and their superiors. Teachers should refer to the assessment strategies outlined in the "Evaluation of Student Achievement" section of this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

The following are some additional suggestions for the assessment of students in this course:

- *Unit or subunit tests.* Tests given at the end of a particular unit or subunit should measure students' knowledge of content, their ability to apply the principles featured in the unit, and their ability to analyse a given situation. A sample test might contain a question that requires the recalling of the concepts studied, an application problem containing both familiar and unpreviewed material, and a case study that requires students to use their problem-solving skills.
- *Term tests or examinations.* Term tests or examinations should include a variety of types of problems (see the previous suggestion). The weighting of the marks assigned to each problem should correspond to the amount of course time allocated for the concept being evaluated. Each problem presented should relate to a single concept, and practical applications should be short. For example, if the mastery of closing entries is being tested, students should work from a work sheet provided for that purpose.

- **In-class assignments.** The criteria for the assessment of in-class assignments and comprehensive problems should be clearly set out before students begin to work on an assignment or problem; that is, the weighting of marks for accuracy, neatness, form, and completion within a certain time period should be determined before in-class assignments are handed out.
- **Reports and oral presentations.** Reports and oral presentations give students opportunities to use correct accounting terminology and to practise the skill of writing business reports and memos. A report or oral presentation should be evaluated on both content and delivery. A sample assignment might require students to analyse the financial statements of two small businesses with a view to recommending the purchase of one. Students would have to calculate the appropriate ratios and percentages and then write a report or memo explaining their reasons for recommending the purchase of one of the companies.

The following table outlines the core units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

Unit	Per Cent of Course
I. Accounting Cycle for a Service Business	35–45
II. Accounting Cycle for a Merchandising Business	10–15
III. Financial-Statement Analysis	5–10
IV. Subsidiary Ledgers	5–10
V. Columnar Journals	10–15
VI. Cash Control and Banking	10–15
VII. Accounting-Related Careers	5

Course Content

The main items of course content for each unit are outlined in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.

I. Accounting Cycle for a Service Business

Core Content

Students will:

1. **examine and analyse a personal-use and service-business balance sheet;**
 - examine alternative methods of presenting the balance sheet (e.g., account and report form);
 - state the purpose of a balance sheet;
 - understand the standards for preparing a balance sheet;
 - understand the following concepts: asset, liability, owner's equity;
2. **develop the fundamental accounting equation;**
 - analyse transactions that would affect the balance sheet;
 - understand the theory of debit and credit;
 - give examples of the kinds of accounts that would appear on a balance sheet;

3. understand the need for a general journal;

- explain the advantages of recording transactions in a general journal;
- set up a general journal;
- record opening entries;
- prepare simple and compound entries complete with explanations containing references to source documents;
- understand and analyse source documents;
- state methods of filing source documents;

4. understand the function of the general ledger;

- set up a general ledger;
- understand the purpose of the “chart of accounts” and its importance;
- perform the posting procedure;

5. prepare a trial balance;

- understand the significance of taking a trial balance;
- use the two-column conventional method and the machine tape-balance method;
- understand methods to detect errors;
- demonstrate proper correcting methods;

6. understand the use of an income statement for a service business;

- understand the owner’s equity accounts of revenue, expense, and drawings;
- apply debit and credit theory to revenue, expense, and drawings accounts;

7. use a six-column work sheet to prepare financial statements;

- prepare a six-column work sheet from a trial balance;
- prepare financial statements for a service business from a six-column work sheet;
- classify the balance-sheet accounts in terms of current and fixed assets and current and long-term liabilities;
- understand the presentation of the owner’s equity section where there is (a) net income, (b) loss, and (c) net income that is less than drawings;

8. use an eight- or ten-column work sheet to prepare adjustments;

- understand the need for adjusting entries;
- understand the adjusting entries that involve the apportionment of cost (e.g., prepaid expenses, straight-line depreciation, and supplies);
- complete an eight- or ten-column work sheet;
- understand the effect of adjustments on the balance sheet and income statement;

9. identify the need for closing entries;

- understand the purpose of closing entries;
- understand the concept of the income-summary account;
- journalize and post adjusting and closing entries;
- prepare a postclosing trial balance;
- prepare a flow chart of the accounting cycle;
- use a general-ledger computer program to complete the accounting cycle.

II. Accounting Cycle for a Merchandising Business



Core Content

Students will:

1. **distinguish between a service business and a merchandising business;**
2. **understand the new accounts required by a merchandising business;**
 - understand the following: inventory, sales, sales returns and allowances, purchases, purchase returns and allowances, freight in (transportation in);
 - analyse and record transactions for these new accounts;
 - identify the need for a cost-of-goods-sold schedule;
 - prepare a schedule of cost of goods sold;
3. **use work sheets to prepare financial statements for a merchandising business;**
 - understand the adjustment for inventory;
 - prepare financial statements for a merchandising business.

III. Financial-Statement Analysis



Core Content

Students will:

1. **identify the users of financial statements;**
 - identify the groups who require financial information and examine the use of financial statements made by each group (e.g., government, investors, creditors, management, unions);
 - list the information needs of each group;
2. **calculate and interpret ratios and percentages for the users of financial statements;**
 - analyse the balance sheet, using current ratio, quick ratio, accounts-receivable turnover, and debt ratio;
 - compare the current income statement with those from previous accounting periods to determine trends;
3. **analyse financial statements for a merchandising business;**
 - calculate gross margin and inventory turnover;
 - prepare a common-size income statement;
 - compare current statements with previous ones to determine trends;
 - interpret trends and determine a future course of action;

4. prepare a report on financial statements for a sole proprietorship;

- prepare a report from a specific point of view (e.g., a bank manager discussing whether he/she will grant a loan, a management consultant making suggestions to improve the company).

Optional Content

Students will use a computer spreadsheet program to perform financial-statement analysis.



IV. Subsidiary Ledgers

Core Content

Students will:

1. understand the need for subsidiary ledgers;

- identify the reasons why the general ledger should be subdivided as a business grows;
- identify the need for a control account for each subsidiary ledger in the general ledger and its balancing features;
- compare the balance-sheet accounts of a business using only the general ledger with those of a business using a subsidiary-ledger system;

2. perform the tasks related to a three-ledger system;

- operate an accounts-receivable and accounts-payable ledger;
- post directly from source documents to an accounts-receivable and accounts-payable ledger;
- journalize and post to the control account (minimal application);
- prepare schedules (trial balances) of accounts-receivable and accounts-payable ledgers and compare their totals with control-account balances.

V. Columnar Journals

Core Content

Students will:

1. identify the need for columnar journals;

- understand the purpose of columnar journals;
- understand the principle of special columns as a means of reducing the amount of posting;
- create the column headings for a multipurpose columnar journal based on the needs of a business (e.g., sales tax, sales discount, purchases discount);

2. use a multipurpose columnar journal;

- analyse and record transactions in a multipurpose columnar journal;
- cross-balance the journal;
- post the journal to the ledgers;
- list the advantages of columnar journals over two-column general journals;
- use a spreadsheet program to complete a multipurpose columnar journal;

3. understand the function of special-purpose columnar journals;

- list the advantages of special-purpose columnar journals;
- identify the four special journals: cash receipts, cash payments, sales, and purchases;
- categorize transactions according to the special journal in which they would appear;
- prove the accuracy of a special journal;
- perform a limited number of transactions in each of the special-purpose columnar journals;
- understand the division of labour resulting from the use of special-purpose columnar journals, the accountability it creates, the time saved in posting, and the resulting savings in cost;
- use an integrated-accounting software program for a special-purpose columnar-journal system.



VI. Cash Control and Banking



Core Content

Students will:

1. **identify the need for cash control;**
 - examine internal and external control systems for cash to reduce opportunities for theft, fraud, and errors;
2. **examine banking procedures;**
 - understand the different types of bank accounts available and the information found on bank statements;
 - understand the following: deposits, withdrawals, outstanding cheques, cancelled cheques, certified cheques, NSF cheques, postdated cheques, debit and credit memos;
 - demonstrate how to write and endorse cheques;
 - understand the function of magnetic-ink character recognition (MICR);
3. **prepare a personal bank reconciliation from source documents;**
4. **identify the need for a petty-cash system;**
 - understand the imprest system for petty-cash management;
 - examine the control features for petty cash;
 - journalize the establishment, replenishing, and expansion of the petty-cash account;

5. **understand the role of the cash register as a control centre within a business;**

- discuss proof of cash and generate related entries;
- understand the purpose of the account “cash short and over”;
- understand the functions on a cash register as a control of cash receipts.

Optional Content

Students will:

1. *analyse and record transactions involving bank credit cards at the retail level;*
 - examine how a business handles bank-credit-card sales at point of sale;
 - examine banking procedures for credit-card sales;
 - journalize bank-credit-card sales;
 - examine the cost to a business of credit cards;
 - identify the advantages to the business of accepting credit-card sales;
2. *prepare a bank reconciliation for a business;*
 - understand that a bank reconciliation is prepared so that (a) an accurate cash-account balance can be determined and (b) bank and business discrepancies in the recording of cash transactions can be detected;
 - use business and bank source documents to prepare bank-reconciliation statements;
 - prepare journal entries arising from bank reconciliation;
 - describe suitable courses of action to handle detected bank and business discrepancies for cash;
 - explain how bank reconciliation relates to effective cash control;
3. *examine the use of credit cards by consumers;*
 - identify the advantages and disadvantages of using credit cards;
 - examine the cost of using credit cards in relation to other sources of credit.

VII. Accounting-Related Careers



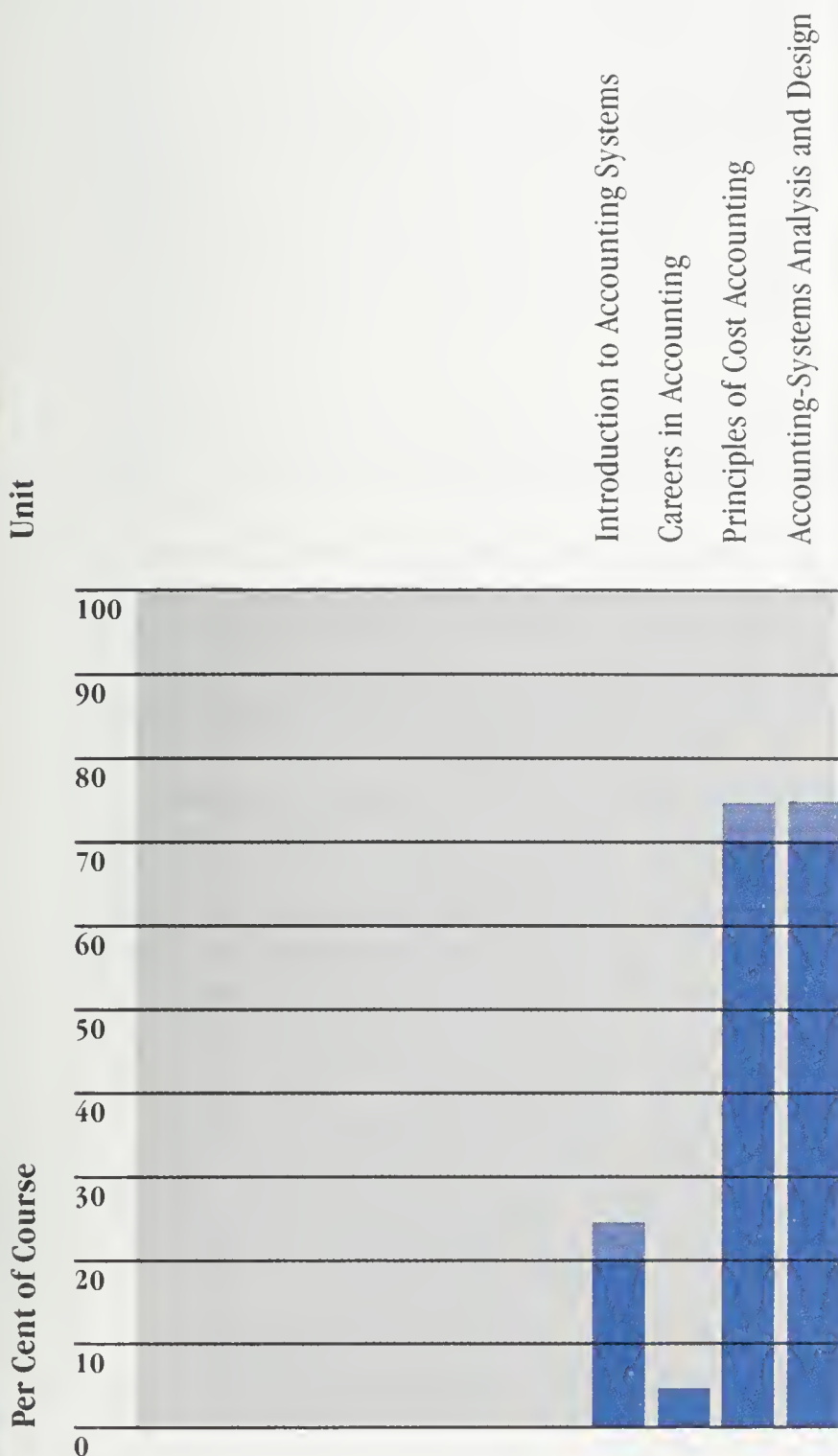
This topic may be integrated throughout the course.

Core Content

Students will:

1. **identify the types of accounting positions within a firm;**
 - understand the specialized duties of accounting clerks;
 - list the accounting supervisory positions in a firm;
 - understand the functions of people with accounting designations;
 - list the educational requirements for the three accounting designations;
 - explain the roles that universities and colleges play in the training of accountants;
 - list the variety of accounting areas (e.g., auditing, tax, cost);
2. **understand the relationship of accounting to other areas of business;**
 - define the major business areas of a large firm;
 - explain the kinds of information that accounting can provide to each of these departments.

Accounting Systems, Advanced Level (BAS)



Introduction

Accounting Systems will give Senior Division students an opportunity to review the principles and concepts of financial accounting introduced in Accounting (BAC) and then to pursue cost accounting (unit III) *or* accounting-systems analysis and design (unit IV). The main focus in this course is on accounting as an information system. Thus, students will either process accounting information in a system that has a specific purpose, such as a cost-accounting system, or learn the basic introductory skills and knowledge necessary to design accounting information systems. Accounting (BAC) is the prerequisite for this course, for which students may earn a maximum of one in-school credit.

Students should be provided with opportunities to:

- develop an understanding of accounting terms, principles, and procedures that are encountered in personal and business financial affairs;
- develop an understanding of the uses and significance of accounting information and reports;
- develop an understanding of how accounting systems must be designed to suit individual enterprises, responding to the volume and variety of their transactions and the number and capabilities of their personnel;
- develop an understanding of introductory accounting principles for manufacturing and job-order and process-cost systems;
- apply computer-augmented accounting processes to accounting tasks;
- develop effective business language and communication skills through reading, writing, speaking, and listening;
- develop the ability to think critically, arrive at decisions using reason and initiative, and apply problem-solving models to relevant situations;
- develop effective business work habits and attitudes;
- appreciate the role that accounting systems play in the overall operation of a business enterprise.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this accounting course at the advanced level and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

This course has as its central theme accounting as an information system. This theme is established in the first compulsory core unit of the course, Introduction to Accounting Systems. Within this introductory unit students should be given opportunities to:

- examine the financial-accounting cycle as an information system;
- review accounting-cycle concepts learned in Accounting (BAC);
- break accounting systems into a number of specialized fields (e.g., financial, managerial, cost, tax, audit, departmental, budgetary);
- examine the impact of computer technology on the field of accounting through both theoretical understanding and the manipulation of accounting-application software (spreadsheets, data bases, integrated general-ledger programs). The intent in this unit is not to provide an exhaustive treatment but rather to give students introductory information on which they can build in later units or subsequent courses.

The teaching of this unit is most successful when approached in an integrative manner. For example, while the review of the accounting cycle may be the primary objective in this unit, material related to other accounting systems, information-systems theory, and computer applications should be included to provide new knowledge based on learned concepts. Teachers should use flow charts to illustrate the component parts of various accounting systems. These charts would also emphasize the interrelationships among the various parts of the system. The preparation of sample accounting entries and the use of T-accounts for each part of the accounting system are appropriate learning activities to use to illustrate the integration of the parts into the total accounting system. Students should have opportunities to examine a variety of methods used by businesses to keep their accounting records. The rationale for using specific ledgers, journals, reports, and procedures should be developed. Spreadsheet and general-ledger software applications are appropriate in this unit because they help students to develop a basic operating knowledge of these types of programs and examine the impact of computer technology on accounting procedures.

Unit II, Careers in Accounting, could be integrated throughout the course or treated as a separate unit.

Once the first introductory unit in the course is completed, teachers will choose one of the optional units, Principles of Cost Accounting or Accounting-Systems Analysis and Design, as the basis for the remainder of the course.

If the optional unit Principles of Cost Accounting is chosen, the balance of the course should emphasize the use of accounting data to control manufacturing costs and to assist management in planning and decision making. Essentially cost-accounting subunits of content should focus on the determination and analysis of costs for specific purposes. Students should have opportunities to look beyond the gathering of the manufacturing costs of a product to the use of such information to analyse past performance and to plan future courses of action. The cost-accounting subunits of content should cover those basic principles and procedures that might be found in use in any manufacturing organization. The use of T-accounts and flow charts to illustrate the flow of costs in the system is suggested. Applications involving cost-accounting computer programs and spreadsheets are appropriate for many of the procedures.

The optional unit Accounting-Systems Analysis and Design is designed to give students opportunities to learn introductory information-systems theory, analysis, and design skills and then apply them to accounting applications. A case-study approach to accounting-systems design is an exciting and meaningful way for them to approach this unit. Students' first applications should be based on simple cases, such as designing financial-accounting systems for school clubs, the school library, special projects such as a school anniversary, school departments, local churches, or community groups. By applying systems analysis and design theory to familiar situations that require simple accounting procedures, students can concentrate on the process of problem solving associated with systems design.

Students should have opportunities to apply the concepts learned in each subunit to appropriate short case studies. In addition, teachers should endeavour to incorporate throughout the course a longer case study that would form the basis for ongoing cumulative systems analysis and design activity. In this way students would be exposed to a large number of learning activities that are interrelated and have an ongoing theme, as well as specific learning activities using independent smaller case studies that allow for practice, reinforcement, remediation, and evaluation. Students should have opportunities to work both in groups and independently on projects.

This unit specifically focuses on the activities of a systems analyst involved in developing accounting systems for a microcomputer environment. It is expected that students will design accounting systems that incorporate the use of computer software such as spreadsheets and integrated general-ledger programs. Students should learn to operate these programs at the same time as they are learning to design accounting systems that use them. As part of the learning activity, they should test their system by processing sample accounting data using the appropriate software.

The evaluation techniques used in this course should be based on the suggestions in the business studies policy document, *Policy for Program Planning and Delivery*, and in the introduction to this part of the guideline. Evaluation must correspond to the specific objectives identified for the course. At the onset of the course students should be informed of the methods of evaluation that will be used and their approximate weighting.

The following are some suggestions for the assessment of students in this course:

- Objective tests can be given at the conclusion of a topic or unit to measure students' knowledge of substantive content, their ability to apply principles and theory, and their ability to solve situational problems.
- Students should be evaluated on their ability to analyse case studies and to solve problems. They should be encouraged to present the results of their case studies orally or in writing.
- In-class assignments for evaluation might include the recording of journal entries, the preparation of reports, and the designing of a flow chart illustrating the system used.

- Long-term systems-design projects of accounting systems would include a needs assessment, flow charts with narratives, sample transactions, reports, input-form designs, and source-document designs, all of which can be evaluated.
- Term tests and comprehensive examinations of a summative nature are an appropriate method of evaluation for this course. They should include a variety of types of problems. The weighting of the marks assigned to each problem should correspond to the amount of course time allocated for the concept being evaluated. Each problem presented should relate to a single concept, and practical applications should be short so that they focus specifically on the objectives being measured.

The following table outlines the units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. The course must include units I and II and one of either unit III or IV.

Unit III, Principles of Cost Accounting, will provide opportunities for students to process accounting data in an accounting system designed to accumulate the financial data associated with manufacturing production costs.

Unit IV, Accounting Systems Analysis and Design, will provide opportunities for students to acquire a broad perspective on accounting systems, as well as specific skills related to systems analysis and design activities for accounting applications. These skills will include fact finding and information gathering, the identification of problem areas, the development of solutions, and the establishment of strategies for the implementation and maintenance of new or revised accounting systems.

The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

Unit	Per Cent of Course
I. Introduction to Accounting Systems	20–25
II. Careers in Accounting	5
III. Principles of Cost Accounting	70–75
IV. Accounting-Systems Analysis and Design	70–75

Course Content

The main items of course content for each unit are outlined in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.

I. Introduction to Accounting Systems



Core Content

Students will:

1. **demonstrate an understanding of the principles of information systems;**
 - identify the component parts of an information system serving business needs, that is, the processes required for accumulating data efficiently, recording and reporting data, measuring operations, identifying lines of authority and responsibility, and preventing errors and fraud;
 - outline the information system required for selected businesses or organizations;
2. **identify specialized accounting-information systems;**
 - list the major branches of accounting: financial, cost (or managerial), tax, auditing, departmental, budgeting;
 - explain the function of each of these branches of accounting;
3. **apply the financial-accounting principles studied in Accounting (BAC) to introductory information-systems theory;**
 - review the analysis and recording of accounting data, the preparation of financial statements, and the use of accounting information;
 - relate the steps in the accounting cycle to the flow of information;
4. **describe the impact of computer technology on financial-accounting information systems;**
 - survey local businesses to determine the impact of computer technology on their accounting systems;
 - identify the types of hardware and software used;
 - compare manual and computer accounting systems in terms of the preparation of data, the steps in the accounting cycle, and controls;
5. **use an integrated general-ledger software program to complete the accounting cycle;**
 - prepare accounting data on input forms that are suitable for the accounting program;
 - operate the program to complete the accounting cycle;
 - prepare a diagram or flow chart to illustrate the steps taken to complete the accounting cycle and the reports that were generated.

Note: When students have completed units I and II (Introduction to Accounting Systems and Careers in Accounting), they will proceed to *either* unit III (if they wish to pursue cost accounting) *or* unit IV (if they wish to pursue accounting-systems analysis and design).

II. Careers in Accounting

Core Content

Students will:

1. **investigate careers related to accounting-systems design and analysis and management accounting;**
 - identify careers related to the design and management of accounting systems and management accounting;
 - examine the educational and professional background necessary for these positions;
 - outline the current requirements for accounting designations (CA, CGA, CMA);
2. **examine postsecondary courses in business studies, accounting, systems design and analysis, and data processing;**
 - investigate the calendars of universities and colleges of applied arts and technology to identify specific courses and entrance requirements.

III. Principles of Cost Accounting

The following table of subunits indicates a suggested time and evaluation framework for Principles of Cost Accounting:

A. Introduction to Cost Accounting	10–15 per cent
B. Accounting for Materials	10–15 per cent
C. Accounting for Labour	10–15 per cent
D. Accounting for Factory Overhead	10–15 per cent
E. Job- and Process-Cost Systems	5–10 per cent
F. Budgeting	5–10 per cent
G. Cost Analyses for Decision Making	5–10 per cent

A. Introduction to Cost Accounting

Core Content

Students will:

1. **differentiate between financial accounting and cost (management) accounting;**
 - explain that financial accounting relates to public reporting and cost accounting to internal reporting;
2. **understand the function of cost accounting in the making of marketing decisions, in the calculation of product costs, and in planning and control;**

3. understand the manufacturing process;

- distinguish between merchandising and manufacturing businesses;
- identify the three cost elements of manufacturing;
- identify the inventories for a manufacturing business: raw materials, work in process, finished goods;
- prepare accounting entries, work sheets, and financial statements for manufacturing companies;

4. describe the flow of costs in the accounting system of a manufacturing business;

- illustrate the following cost flows: (a) materials and payroll to factory overhead and work in process, (b) factory overhead to work in process, (c) work in process to finished goods, (d) finished goods to cost of goods sold;

5. understand cost-accounting systems;

- distinguish between a job-cost system and a process-cost system;
- identify manufacturers who would use each of these systems;
- explain the use of “standard cost” for decision making.

B. Accounting for Materials

Core Content

Students will:

1. explain the need for materials control;

- identify the need for materials control: to meet production schedules and to prevent fraud, theft, and spoilage in the materials storage area;

2. develop procedures for materials control;

- recognize the source documents used in accounting for materials;
- develop a diagram or flow chart for materials control that identifies the personnel involved, documents required, and approval procedures from point of order to point of payment;

3. record journal entries for materials transactions;

- analyse and record transactions related to the acquisition of materials and their related costs;
- analyse and record entries that apportion these costs to the general-ledger control accounts for direct materials, work in process, and factory overhead at the end of the accounting period;
- prepare a flow chart or summary of the procedures involved in accounting for materials for the accounting period;

4. describe methods of materials costing;

- identify the flow methods for materials costing: first in, first out; last in, first out; weighted average;
- calculate the cost of materials, using the three methods;
- explain standard cost and specific identification as methods of applying materials cost;
- describe procedures for accounting for scrap, spoiled goods, and defective work;

5. define the terms related to accounting for materials.

C. Accounting for Labour

Core Content

Students will:

1. distinguish between direct and indirect labour;

- identify the tasks that would be considered part of direct labour or indirect labour;

2. describe common wage plans;

- identify methods of computing wages for factory employees (e.g., hourly rate, piece-rate plan);
- explain the advantages and disadvantages of each plan;

3. demonstrate an understanding of labour-control procedures;

- explain the use of labour records;
- working with labour records, record the amount of time that each employee worked;
- analyse each employee's time to determine how it was utilized;
- allocate the daily cost of labour to jobs and service departments;
- prepare the company payroll;

4. **identify the source documents and records used in accounting for labour:** clock cards, time tickets, individual production reports, payroll records, employees' earnings records, labour-cost summaries;
5. **understand the procedures used in accounting for labour cost;**
 - prepare accounting entries to apportion labour costs to direct labour, factory overhead, and work in process.

D. Accounting for Factory Overhead

Core Content

Students will:

1. **describe factory operating costs;**
 - list the components of factory overhead;
 - distinguish between indirect materials and labour and direct materials and labour;
2. **classify the elements of factory overhead;**
 - identify the elements of factory overhead as fixed, variable, or semivariable costs;
 - record a cost structure for a product at various production levels;
3. **distribute service-department costs;**
 - distinguish between service and production departments;
 - analyse and apportion costs to service departments;
 - describe the basis for distribution;
 - explain the overlapping of costs among service departments;
 - prepare accounting entries to record the distribution of costs;
4. **apply factory overhead;**
 - understand the need to apply factory-overhead costs;
 - describe methods of applying factory overhead: direct-labour-cost method, direct-labour-hour method, machines-hour method;
 - identify the uses and advantages of each method;

5. **prepare journal entries to record applied factory overhead;**

- prepare accounting entries to apply factory overhead to work in process.

Optional Content

Students will:

- *calculate budget and volume variances;*
 - explain budget variance and volume variance;
 - calculate variances to explain over- or underapplied factory overhead;
 - analyse variances to achieve control of overhead costs;
 - use a spreadsheet program to record and analyse variances.

E. Job- and Process-Cost Systems

Core Content

Students will:

1. **understand when to use a job-cost system and a process-cost system;**
 - distinguish between job-order and process-cost systems;
 - identify businesses that would use each system;
2. **understand the accumulation of job-order costs;**
 - categorize costs as materials, labour, and overhead;
 - understand the need to isolate cost elements on a job basis;
 - describe the books of account, the nature of the transactions, and the source documents associated with operating a job-cost system;
 - use a computer program to record job costs;
3. **prepare job-order cost-accounting entries;**
 - allocate and transfer manufacturing costs to specific jobs;
4. **understand the process-cost system;**
 - explain the following in relation to process-cost accounting: a cost centre, production department, and service department;

5. identify product costs using a process-cost system;

- identify manufacturing costs to be charged to production departments;
- determine unit cost;
- use a spreadsheet program to distribute costs to departments and to determine unit cost;

6. calculate work-in-process inventory;

- prepare production reports and cost-of-production summaries;
- recognize the cost overlaps of several accounting periods found in work-in-process inventory.

F. Budgeting

Core Content

Students will:

1. explain the importance of budgeting, planning, and forecasting;

- explain the purpose of a budget;
- describe the specific benefits derived from preparing a budget;
- describe the characteristics of a capital budget and of a profit budget;

2. identify sources of data for budget preparation;

- identify the participants in budget preparation for merchandising and manufacturing businesses;
- identify data that would be relevant to the preparation of budgets;
- discuss the significance of past performance or expected performance to the preparation of a budget;

3. explain the sequence of steps to be followed in preparing a profit budget;

- prepare a diagram illustrating the steps to be followed in preparing a budget;

4. complete a budget for a business;

- prepare each budget in a master budget;
- integrate individual budgets into planned financial statements;

5. construct a budget using a spreadsheet program;

6. explain the significance of each procedure in the budget model;

- understand the significance of the procedures in a budget model (i.e., constructing the budget, implementing the budget, monitoring the budget, managing budget exceptions).

Optional Content

Students will:

– *examine the differences in the budgeting process for government and private enterprise;*

- compare the goals of government and private enterprise;
- discuss the reality of long-term planning for government and private enterprise;
- describe issues (political, social, and economic) that might influence a government budget;
- present a written or oral analysis of a recent federal or provincial budget.

G. Cost Analyses for Decision Making

Core Content

Students will:

1. analyse cost data for decision making in the areas of planning, forecasting, and control;

- discuss cost-behaviour patterns;
- recognize how variable and non-variable costs will react to changes in the production rate;
- recognize the significance of production volume to planning, forecasting, and control;

2. understand methods of cost-behaviour analysis;

- analyse cost behaviour using high-low and least-squares methods;
- distinguish between direct costing and absorption costing;

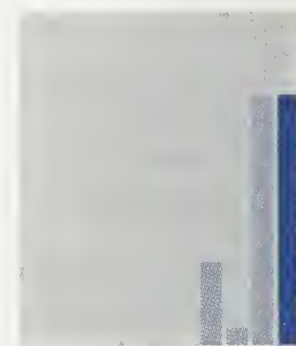
3. **understand the interrelationships among cost, volume, profit, and budgets;**

- understand break-even analysis;
- calculate and illustrate a break-even point graphically;
- explain the significance of and apply the following ratios and computations: contribution margin, contribution margin of safety, sales-volume ratio, break-even sales volume, and target-sales volume;
- use a spreadsheet to calculate these computations and ratios;

4. **describe the costs that must be considered in decision making;**

- explain the importance to decision making of the following: relevant costs, escapable and inescapable costs, sunk costs, out-of-pocket costs, imputed costs and opportunity costs, replacement costs, distribution costs.

IV. Accounting-Systems Analysis and Design



The following table of subunits indicates a suggested time and evaluation framework for Introduction to Systems Analysis and Design:

A. Introduction to Systems Analysis and Design	15–20 per cent
B. Analysing Accounting-Information Needs	10–15 per cent
C. Designing Accounting Systems	10–15 per cent
D. Implementing Accounting Systems	10–15 per cent
E. Applied Systems-Analysis Design	15–20 per cent

A. Introduction to Systems Analysis and Design

Core Content

Students will:

1. **demonstrate an understanding of the relationship between systems analysis and design and accounting-information systems;**

- explain why systems development is often referred to as a *life cycle*;
- identify within a given business organization where the responsibility for systems analysis and design lies;
- describe the role of the systems analyst, especially as the role relates to the accounting department within the business organization;

- list and describe briefly the steps in the systems development cycle, namely, (a) request for systems change, (b) analysis and investigation, (c) systems design, (d) conversion, implementation, and evaluation;
- examine typical accounting-systems problems encountered by businesses;

2. design an accounting system for an organization or event such as the student council, the school store, a dance or other money-making event, or the yearbook;

- identify the accounting-information needs of the organization or event;
- identify the controls needed in the system;
- identify the persons using the accounting-system source documents, journals, and reports;
- set up the chart of accounts for the ledger;
- explain, by means of a diagram or flow chart of the system, the flow of accounting information, division of work, and controls.

B. Analysing Accounting-Information Needs

Core Content

Students will:

- 1. prepare an initial systems-investigation report for a given accounting-systems application case study (e.g., introducing a subsidiary-ledger system to handle customer accounts) that (a) defines a systems problem and (b) classifies any problems that are discovered (e.g., those related to people, communication, information manipulation, bottlenecks);**
 - explain the sources of requests for systems projects;
 - define a systems problem in terms of goals, objectives, and measures of performance;
 - explain the role of the initial preliminary investigation, detailed investigation, and feasibility report in the systems-analysis stage;
 - develop ways of identifying current problem areas;

2. conduct an accounting-systems investigation using information-gathering techniques;

- define the role of the systems-investigation activity;
- apply a number of information-gathering techniques (e.g., review of the literature, interviewing, sampling, questionnaires, observation, forecasting, modelling, testing);
- prepare from the information gathered the following:
 - a) a general statement of how the system works;
 - b) a document flow chart of systems inputs and outputs;
 - c) descriptions of inputs and outputs, including sketches or samples where appropriate;
 - d) a systems flow chart;
 - e) job specifications;
 - f) an organizational chart;
- prepare findings in a written report.

C. Designing Accounting Systems

Core Content

Students will:

- 1. create general design specifications for a given accounting-systems application case study;**
 - list and apply the guidelines for general design specifications to an accounting-systems case study (e.g., a small business that is considering switching from a manual to a computer-assisted accounting system);
 - identify the ways to develop systems design (i.e., keep the existing system, modify the existing system, use a prepackaged design, create a new design for the system);
 - explain what “top-down” design strategy is as an approach to establishing general design specifications;
 - use “top-down” design strategies in preparing general design specifications;
 - identify other types of design strategy encountered in business;
 - list the characteristics of a well-designed system;
 - participate in a brainstorming session to create general design specifications in the areas of personnel and organization, hardware, software, and procedures;

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- document the general design specifications for a systems solution by preparing the following:
 - a) a general statement of how the system works;
 - b) a document flow chart of systems inputs and outputs;
 - c) descriptions of inputs and outputs, including sketches and/or samples where appropriate;
 - d) a systems flow chart;
 - e) job specifications;
 - f) an organizational chart;
 - prepare a written or oral report documenting a rationale for the design specifications chosen;
- 2. utilize good report design principles in designing the reports to be produced by the system;**
- explain why an analyst starts the design phase by designing output;
 - document the retention and distribution of systems reports;
 - explain the rationale for the retention and distribution of reports for a given system;
- 3. utilize good design principles in designing the inputs required by the system;**
- identify three major sources of input data for an accounting system (i.e., source/transactional data, master files, control information, for example, pay dates, due dates, percentages, tables);
 - explain the relationship between input, master file, and output and the amount or type of data needed by the system;
 - explain for a selected accounting-systems case study (e.g., an accounts-payable or voucher system to handle purchases, a perpetual-inventory system) how and where the data are generated;
 - explain the purpose of coding input data and the reasons for selecting a particular code;
 - use a variety of coding methods such as sequence, block, group, significant digit, final/check digits, mnemonic, and numerical-alphabetical to design a code for input data;
- 4. design a file-organization method and processing cycle for an accounting-systems application, by preparing the following:**
- a) a description of the data bases and file organizations designed;
 - b) a description of the processing activities to be performed on the data base;
 - c) a flow chart of the processing cycle designed;
 - d) a description of the file-retention and backup procedures;
- explain the rationale for the use of files within an accounting system;
 - describe the functions of the following files: master file, transaction file, temporary file, index file, table file, summary file, archival file, backup file;
 - describe the organizational concepts that relate to each of the files listed above that dictate how the file contents can be organized;
 - list and describe the characteristics of the following file-processing activities: editing, sorting, updating, reporting, backing-up;
 - describe the organizational concepts that relate to each of the processing modes listed above that dictate how the file contents can be organized;
 - describe the characteristics of sequential and direct-access file-organization methods;
 - define the term *data base* and describe an accounting data base;
- 5. design a system of balanced controls for an accounting-systems application;**
- list the objectives of accounting-systems controls;
 - explain the statement "A proper level of control equates the incremental cost of controls with the risk of loss due to inadequate controls" with regards to establishing a balanced system of accounting controls;
 - identify the major control areas in an accounting system (i.e., source or transaction data, data processing, data reporting, personnel, operations);
 - list and explain basic control functions for each major control area within an accounting system.
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D. Implementing Accounting Systems

Core Content

Students will:

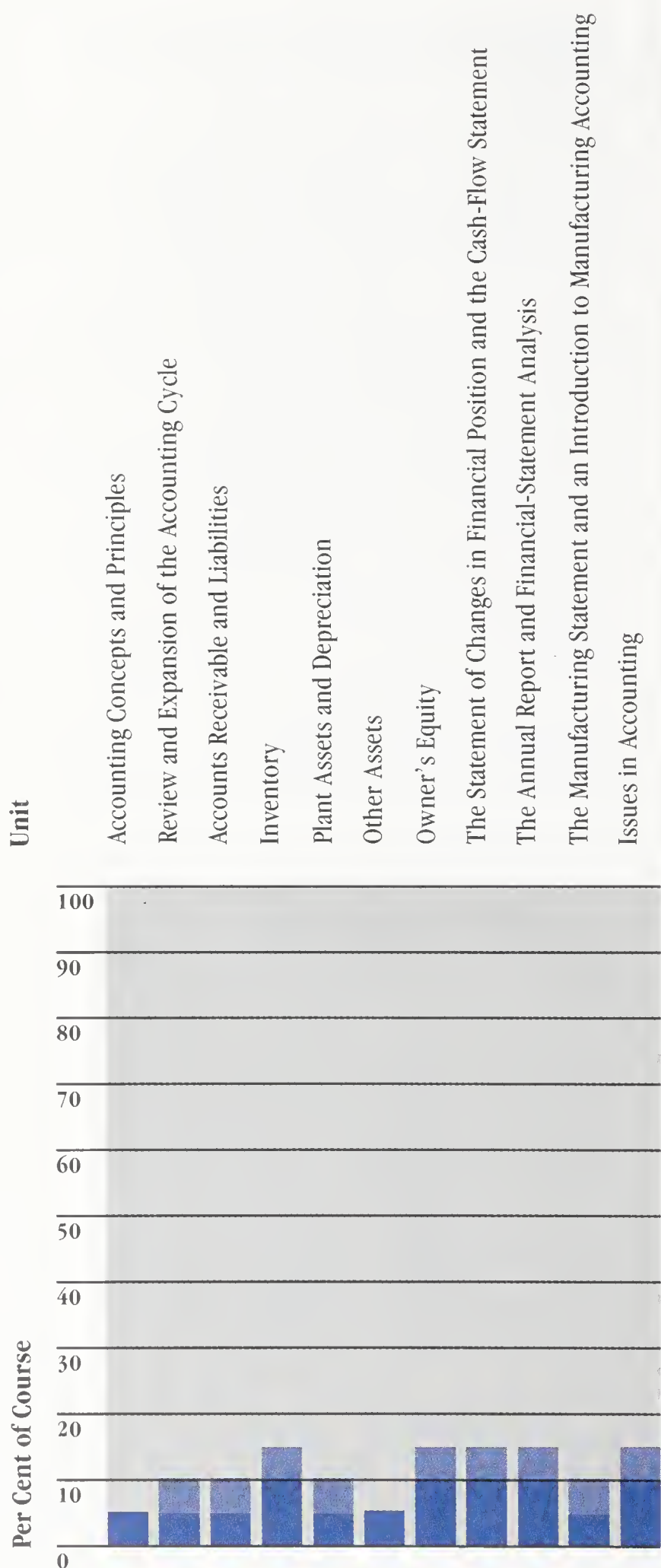
1. **prepare a systems and conversion plan for an accounting-systems application by documenting the following:**
 - a) a list of tasks to be carried out in the conversion to and implementation of a computer-assisted accounting system (e.g., a retail store changing to an on-line cash-register system; a medical doctor or dentist converting from a manual to a computer-assisted system for keeping patient records);
 - b) a time line for carrying out these tasks;
 - c) a recommended implementation plan, including supporting rationale;
 - d) a list of the responsibilities of various personnel in the implementation process;
 - e) a retraining program for staff;
 - describe the activities involved in preparing and making the conversion to a new system;
 - make a workable schedule of the tasks involved in converting to a new system;
2. **develop a time line for carrying out these tasks, using planning techniques such as Performance Evaluation Review Technique (PERT) or Critical Path Method (CPM);**
 - compare and contrast four implementation plans: direct conversion, pilot installation, parallel operations, phased implementation);
 - state methods to control the implementation process;
 - identify typical conversion and implementation problems and describe related problem-solving strategies;
 - describe the role of various personnel involved in systems implementation.

E. Applied Systems-Analysis Design

Core Content

Students will:

- **apply their systems analysis and design skills and knowledge to the solution of a comprehensive accounting application, for which they would produce: (a) an initial report on the investigation of problems within the system, (b) a systems-design solution, and (c) a report on the conversion and implementation plan;**
 - practise the skills and knowledge acquired during the course by completing a comprehensive accounting application (e.g., designing a system for a merchandising business where the accounting system would include subsidiary ledgers for customers and creditors, departmental sales, detailed inventory records, and payroll records for employees);
 - work with a realistic problem appropriate to their stage of development;
 - design meaningful applications that can be implemented;
 - test their systems design through actual implementation with test data.



Accounting OAC (BAC)

Introduction

Accounting OAC is intended primarily for students who wish to pursue further studies at a university. After briefly reviewing fundamental accounting concepts and procedures, students in the OAC in accounting will be provided with an in-depth study of generally accepted accounting principles, financial-accounting procedures used by businesses, and the analysis of financial data. The use of accounting as a decision-making tool will be emphasized. The study of accounting at the OAC level will provide students with a better understanding of the business world, regardless of whether they intend to study accounting at a university or not. A student may earn a maximum of one credit in this course, for which the prerequisite is Accounting, Senior Division (BAC).

Students should be provided with opportunities to:

- develop a foundation of financial-accounting theory that will prepare them for future study at a university;
- interpret published annual reports and relate them to the accounting principles that were the basis of their preparation;
- organize and analyse information;
- interpret the results of their analyses and make decisions based on their interpretations;
- prepare written and oral reports.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this OAC in accounting and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

Accounting OAC should be approached on a conceptual basis. Rather than presenting accounting from a procedural point of view, teachers should emphasize its function as an analytical and evaluative tool. To this end, the following are appropriate teaching strategies for the course:

- *Use of the steps in the accounting cycle as a frame of reference.* All new learning should be introduced as a spiral development of the accounting cycle.
- *Survey of student interests and plans.* At the beginning of the course students could complete a survey that would identify their reasons for choosing to take this course, their postsecondary educational and career plans, their previous business courses, and the courses they are taking concurrently with the OAC. Such information can be useful in planning which issues to choose in unit XI and in identifying both the students who could be used as resource persons and those who might have difficulties with this course.
- *Models for solving procedural problems.* Since this course is primarily an accounting principles, not a procedures, course, students should be required to give detailed explanations and show calculations used in procedural problems.
- *Use of case studies to develop students' problem-solving skills.* Students should be given a model for analysing case studies and should be aware that there is no single correct solution to any given problem. The suggested strategy for problem solving is to identify the problem, gather all of the facts that are pertinent to solving it, suggest a number of alternative solutions based on the facts, and then choose one solution and justify the choice.
- *Resources.* The following are among the many resources that can be used in this course: (a) newspapers (e.g., the "Report on Business" section of the *Globe and Mail*, the *Financial Post*, the *Financial Times*); (b) magazines and journals (e.g., *Maclean's*, *CMA Magazine*, *Business Quarterly*, bank newsletters); (c) published corporate annual reports; (d) professional accounting associations' handbooks and journals; (e) the Student Guidance Information Service (SGIS); (f) field trips and guest speakers.
- *Individual or group research projects.* Both individual and group research projects should be used to develop students' oral and writing skills. Research projects can be based on the historical development of a company (either a local business or a large, well-known Canadian company); the analysis of accounting systems, procedures, and policies; or other issues in accounting.
- *Debates and discussions.* These can be based on current events, such as a federal budget.
- *Computer applications and simulations.* Appropriate computer applications include the use of a general-ledger program to review the accounting cycle, the use of a spreadsheet program for budgeting and forecasting strategies (see unit XI), and the use of a financial-statement-analysis program to determine ratios and percentages (see unit IX).

The assessment of student achievement and program effectiveness must be an integral, ongoing part of the teaching-learning process. It can:

- provide students with information concerning what they have already mastered and what still needs to be learned;
- provide information for grade-reporting purposes;
- provide information that will enable teachers to make any necessary modifications to their programs;
- help teachers to assess the quality and effectiveness of the learning strategies and materials that they have used;
- spur students to further achievement.

When developing a course of study, teachers should consider the evaluation techniques that will be employed throughout the course. These techniques should be designed to promote a positive attitude towards evaluation. Thus, students should be fully aware of the evaluation policies that exist. Formative evaluation should diagnose and correct students' difficulties and determine their readiness to progress to summative evaluation or to the acquisition of new learnings.

The following are some suggestions for the evaluation of students in this course:

- *Comprehensive problems on the accounting cycle.* A practice set given early in the course (unit II) should determine student weaknesses and identify areas that require review.
- *Unit and subunit tests.* Questions on unit and subunit tests should relate to the concepts and theory studied rather than to the procedures used. For example, rather than completing a work sheet to test accruals, students should be required to analyse the effect of accruals on net income and on the balance sheet. Case studies should be used to evaluate students' problem-solving skills. Every test should include at least one question that requires students to demonstrate their writing skills and understanding of accounting terms.
- *Formal examinations and term tests.* These forms of evaluation should contain a variety of questions to measure student mastery of analysis, procedures, and synthesis in solving problems. The weighting of marks for each question should relate to the course time allocated to that concept.

Every student shall write a formal examination in the OAC. This examination shall cover a minimum of four of the principal units outlined in this section of the guideline and will constitute a minimum of 30 per cent and a maximum of 40 per cent of the final overall evaluation of student performance.

- *Essays and reports.* Student essays and reports can provide the basis for evaluation in units IX and XI. Essays should be written in a form that is consistent with a recognized style guide. The format for reports should be established early in the program. Student reports and essays should be evaluated on their content, the quality of the research material they contain, and their form.
- *Seminars.* Student seminars should be evaluated on the quality of the research and presentation.

Overall assessment of student performance in this course should reflect an emphasis on the following kinds of activities:

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|--|----------------|
| ■ research projects, formal reports, essays | 20–25 per cent |
| ■ individual and group projects, debates, seminars | 20–25 per cent |
| ■ term tests | 20–30 per cent |
| ■ formal examination | 30–40 per cent |

The following table outlines the core units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

Unit	Per Cent of Course
I. Accounting Concepts and Principles	5
II. Review and Expansion of the Accounting Cycle	5–10
III. Accounts Receivable and Liabilities	5–10
IV. Inventory	10–15
V. Plant Assets and Depreciation	5–10
VI. Other Assets	5
VII. Owner's Equity	10–15
VIII. The Statement of Changes in Financial Position and the Cash-Flow Statement	10–15
IX. The Annual Report and Financial-Statement Analysis	10–15
X. The Manufacturing Statement and an Introduction to Manufacturing Accounting	5–10
XI. Issues in Accounting	10–15

Course Content

The main items of course content for each unit are outlined in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.

I. Accounting Concepts and Principles

This unit identifies the accounting concepts and generally accepted accounting principles used in recording transactions and preparing financial statements. It also identifies the need for such standards and the organizations that influence generally accepted accounting principles. Each topic in the OAC will be examined in light of how these concepts and principles are applied.

Core Content

Students will:

- **explain the significance of generally accepted accounting principles and concepts;**
 - define the following: business-entity concept, going-concern assumption, cost concept, time-period assumption, matching concept, objectivity principle, disclosure principle, realization concept, materiality concept, conservatism assumption;
 - apply the above concepts and principles to case studies and to procedural practices in assigned problems;
 - become aware of the source for the application of these principles and concepts, that is, the generally accepted accounting principles outlined in the *CICA Handbook*, volumes I and II;
 - identify the following as organizations that influence changes in the generally accepted accounting principles: the Canadian Institute of Chartered Accountants, Ontario Securities Commission, provincial and federal governments, Financial Accounting Standards Board.

II. Review and Expansion of the Accounting Cycle

This unit includes both a review and the introduction of new principles and concepts, such as accruals, reversing entries, and internal control. Teachers will introduce the new concepts where appropriate within their review of the accounting cycle.

Core Content

Students will:

1. complete the accounting cycle for a service business operated by a sole proprietor;

- review the steps in the accounting cycle;
- prepare, using a work sheet, adjusting entries that involve the apportionment of cost (e.g., prepaid expenses, straight-line depreciation, supplies);
- prepare entries to close the books;

2. explain accrual-based accounting and the need for the reversing process;

- apply the concepts of realization and matching to accrual-based accounting;
- explain accrued revenues and expenses and deferred revenues;
- prepare journal entries to record the above;
- understand the purpose of reversing entries;

3. complete the accounting cycle of a merchandising business for a sole proprietor who uses the periodic-inventory system;

- understand beginning and ending inventory;
- examine the reasons for special-purpose columnar journals and subsidiary ledgers;
- calculate the cost of goods sold and gross profit on sales;
- prepare one-step and multistep income statements and classified balance sheets for merchandising businesses;

4. explain the need for and the components of an effective system of internal control;

- understand the principles of control: authorization, approval, execution, recording;
- list methods to implement the above principles;
- examine the measures taken by organizations to protect their resources against waste, fraud, theft, and inefficiency;
- understand the relationship between the need for accuracy and reliability of accounting information and the principle of materiality.



III. Accounts Receivable and Liabilities



Core Content

Students will:

1. understand the concept of accounts receivable;

- examine why businesses grant credit;
- explain the internal-control procedures used in granting credit;
- list reasons why accounts become uncollectible;
- apply the principle of conservatism to distinguish between book value and net realizable value;
- compare the costs of bank-card sales with those resulting from uncollectible accounts from the viewpoint of the retailer;

2. understand the methods of estimating uncollectible accounts;

- relate the matching principle to the concept of estimating uncollectible accounts;
- explain and evaluate the following methods of estimating uncollectible accounts: percentage of sales or charge sales; percentage of accounts receivable; the ageing of accounts receivable;
- prepare journal entries to record and write off uncollectible accounts, using both the allowance and direct-write-off methods;
- explain the disadvantages of direct write-off;
- prepare financial-statement disclosures for bad debts;

3. understand the liability section of a balance sheet;

- explain the method for classifying liabilities;
- explain the importance of current liabilities in the appraisal of the financial position of a business;
- evaluate the effects of errors or omissions in current liabilities on overstatement and understatement in financial statements;
- explain the need for disclosing contingent liabilities in the notes accompanying financial statements.

Optional Content

Students will:

1. understand the use of notes receivable by businesses;

- examine the legal and financial characteristics of notes receivable;
- calculate and prepare journal entries to record notes receivable, the discounting of notes receivable, and the dishonouring of notes receivable;

2. understand the use of notes payable;

- calculate and journalize notes issued to banks and to suppliers;
- examine the concept of present value as applied to long-term notes.

IV. Inventory

Core Content

Students will:

1. explain and compare the periodic-inventory system and the perpetual-inventory system;

- apply the concepts and principles of cost, matching, conservatism, objectivity, consistency, disclosure, realization, and materiality to increase their understanding of the two inventory systems;
- review the periodic-inventory system;
- examine the advantages and limitations of the periodic-inventory system;
- understand the perpetual-inventory system;
- prepare journal entries for the perpetual-inventory system;
- examine the advantages and limitations of the perpetual-inventory system for financial reporting;
- compare the periodic- and perpetual-inventory systems;

2. explain and compare the use of the gross-amount method and the net-amount method in recording invoices;

- understand how the net-amount method supports the strict interpretation of the cost principle;
- prepare entries using the gross-amount and net-amount methods;

3. evaluate the methods of inventory valuation and the effect of each on financial statements;

- understand the component costs of inventory (e.g., taxes, duties, insurance);
- examine and calculate inventory valuation using first in, first out; last in, first out; and weighted average cost;
- apply the accounting concepts of cost, matching, objectivity, and consistency to the valuation of inventory;
- apply the lower-of-cost-or-market rule as an element of evaluating final inventory (conservatism);
- understand the significance of the physical count as an auditing function to ensure the accuracy of inventory valuation;

4. explain and compare the significance and methods of estimating inventories in the periodic system for interim statements;

- understand and estimate inventory valuation using the gross-profit and retail methods;

5. evaluate the effects of inventory errors on current and subsequent financial statements;

- understand the effects of the understatement and overstatement of inventory on the income statement and the balance sheet (matching principle);

6. evaluate business needs with respect to periodic- and perpetual-inventory systems and relate these needs to the identification of the system of inventory control that best suits the requirements of a specific business;

- examine the impact of technology on inventory control (e.g., computers, universal product codes);
- understand the concepts of minimum reorder point and optimum inventory levels;
- visit firms and report on how they use technology to manage inventory;
- understand the importance of keeping accurate inventory records for management decision making and financial accounting.

V. Plant Assets and Depreciation

Core Content

Students will:

1. **explain the components of the cost of a plant asset;**
 - apply the cost principle to determine the cost of an asset, including the costs necessary to ready the asset for use;
2. **evaluate the methods of calculating depreciation and the effects of each method on financial statements;**
 - understand and calculate straight-line, declining-balance, and units-of-production methods of determining depreciation;
 - understand the concepts of full disclosure, materiality, matching, and consistency as they apply to depreciation;
3. **distinguish between maintenance and repairs and between extraordinary repairs and betterments;**
 - journalize the above transactions;
 - apply the principles of consistency, matching, and materiality to the above transactions;



4. **explain the effect of the disposal of plant assets;**
 - explain the difference between the fair market value and the book value of an asset, recognizing gain or loss on disposal;
 - journalize the disposition of plant assets for amounts above and below their net book value;
 - understand that gain or loss is really a correction of an evaluation made in previous accounting periods;
5. **explain circumstances that would necessitate changes in depreciation rates and the method used to revise them;**
 - apply the principles of materiality and matching in relation to the need to revise depreciation rates;
 - examine the disclosure in financial statements when depreciation methods are changed.

Optional Content

Students will:

1. *explain the purpose and operation of a plant-asset ledger;*
 - demonstrate the relationship between a subsidiary ledger and a control account;
 - evaluate the need for a plant-asset ledger;
2. *evaluate the accounting procedures applicable to an exchange of plant assets;*
 - analyse and then journalize a transaction related to the exchange of old equipment for new;
3. *compare and contrast the depreciation of plant assets with the capital-cost allowances for those assets (controlled by Revenue Canada).*

Optional Content

Students will:

- *describe the accounting procedures for investments held by a business;*
 - identify marketable securities and long-term investments;
 - understand when to use the cost or equity method for recording transactions that affect these assets;
 - journalize transactions associated with marketable securities and long-term investments;
 - apply the lower-of-cost-or-market principle to value marketable securities (conservatism).



VI. Other Assets

Core Content

Students will:

- 1. explain the concept of intangible assets;**
 - identify some common intangible assets: patents, leaseholds, trademarks, good will, copyrights;
 - identify the period of benefit;
 - contrast the period of benefit for two different intangibles, where the period is measurable (e.g., leaseholds) and where it is not (e.g., trademarks);
- 2. explain the circumstances under which an intangible would be capitalized or expensed;**
 - apply the principles of cost, matching, and materiality in deciding whether a cost (e.g., research and development costs) should be capitalized or expensed;
- 3. describe the circumstances under which the cost of an intangible asset would be amortized;**
 - evaluate the benefit period of intangible assets;
 - establish the amortization rate based on the legal life or the benefit period, whichever is shorter (conservatism).

VII. Owner's Equity

Core Content

Students will:

1. **examine the most common forms of business organization;**
 - list the advantages and disadvantages of sole proprietorships, partnerships, and corporations;
 - understand the legal and economic characteristics of the above;
 - understand the income-tax ramifications of each form of business organization;
2. **examine the accounting functions for shareholders' equity;**
 - list the types and characteristics of share capital;
 - record the issuance of no-par-value shares;
 - understand the historical concept of retained earnings (deficit);
 - prepare the statement of retained earnings and the shareholders' equity section of the balance sheet;
 - understand the distinction between contributed capital and earned capital;
3. **analyse and evaluate the effects of various transactions on shareholders' equity;**
 - examine the effect of net income, dividends (cash and stock), stock splits, and appropriations of retained earnings on shareholders' equity;
 - make journal entries or notations to record transactions affecting shareholders' equity;
 - calculate the book value of shares.

VIII. The Statement of Changes in Financial Position and the Cash-Flow Statement

Core Content

Students will:

1. **interpret a Statement of Changes in Financial Position;**
 - examine the relationship between this statement and the other financial statements of a corporation;
2. **prepare a Statement of Changes in Financial Position;**
 - determine the change in cash and working capital using a method consistent with the current practices of the Canadian Institute of Chartered Accountants;
 - analyse the changes using working papers or the account method;
 - account for the changes by preparing a Statement of Changes in Financial Position;
3. **explain the need for and the components of a cash-flow analysis as an aid for planning and budgeting;**
 - compare the accrual and cash methods of accounting;
 - convert an accrual-account balance to cash generated or used;
 - relate cash flow to short- and long-term financial planning;
 - prepare a cash-flow statement.

IX. The Annual Report and Financial-Statement Analysis



Core Content

Students will:

1. **describe the objectives of financial reporting;**
 - identify the primary objective of financial statements: to provide useful information;
 - identify the users of financial statements;
 - determine the information required by the various users;
2. **explain the significance of the various parts of an annual report;**
 - examine the following: chairperson's report, financial statements and notes, auditor's report, management report, historical review;
 - understand the meaning of the term *consolidated*;
 - list alternative names that are used for various financial statements (e.g., "statement of financial position" instead of "balance sheet" or "statement of earnings" for "income statement");
 - examine footnotes and supplementary information;
 - understand the importance of notes for evaluative and interpretive purposes;
 - relate the information found in the statements and accompanying notes to accounting concepts and the generally accepted accounting principles;
3. **understand the role of auditors;**
 - compare the roles of public, government, and internal auditors;
 - examine the training requirements for various accounting designations through the use of the Student Guidance Information Service;
 - interpret the auditor's report and understand the terms *qualified* and *denied opinion*;
4. **explain the significance of the annual report to various users of statements: stockholders, creditors, potential investors, unions;**
 - examine techniques that can be used for analysing financial data (e.g., ratios and percentages);
 - evaluate financial statements to determine liquidity, solvency, profitability, and growth potential.

X. The Manufacturing Statement and an Introduction to Manufacturing Accounting



Core Content

Students will:

1. **explain the difference between financial accounting and management accounting;**
 - understand that management accounting is related to internal reporting, while financial accounting is primarily aimed at external reporting in accordance with the generally accepted accounting principles;
2. **describe the differences in accounting between a business that purchases the goods it sells and one that manufactures the goods it sells;**
 - identify the three product costs: raw materials, direct labour, and factory overhead;
 - know how to determine each of these costs;
 - identify the inventories associated with a manufacturing business: raw material, work in process, and finished goods;
 - identify the cost components of work-in-process inventory;
 - understand how to determine the cost of goods manufactured;
 - prepare the manufacturing statement;
 - explain the relationship between cost of goods manufactured and the calculation of cost of goods sold;
 - prepare a schedule of cost of goods sold for a manufacturing business.

XI. Issues in Accounting



Teachers will select at least three of the following seven topics. This unit must make use of seminars, reports, or essays.

Core Content

Students will:

1. **evaluate alternative approaches to modifying the accounting process to cope with the impact of inflation;**
 - examine the use of constant-dollar and current-cost accounting as means for adjusting financial statements for inflation;
 - interpret the constant-dollar and current-cost income statement;
2. **explain the need for the adequate disclosure of all information necessary for the proper interpretation of financial statements;**
 - understand why material and relevant facts must be disclosed in the financial statements or notes;
 - examine the dollar effects of any change used in the accounting methods;
 - examine the inclusion of information on significant events that affect financial position, including a new major contract, pending legislation, and lawsuits;
 - identify assets that are pledged as collateral and large contingent liabilities;

3. evaluate the effect of income taxes on business decisions;

- compute the taxable income of corporations;
- understand the difference between financial and tax accounting;
- explain capital-cost allowances and how they may differ from depreciation expense;
- investigate the timing of a business transaction to minimize or postpone income tax;

4. explain the impact of the computer and its related technology on accounting and on the decision-making process;

- examine computer applications in business;
- perform a cost-benefit analysis;
- examine the effect of computers on careers;
- examine the issues of confidentiality and security of information;
- examine the sociological, psychological, and economic impact of computers;

5. explain the need for forecasting as part of the planning process and the sources of data on which forecasts are based;

- examine sources of data, including past experiences, market and economic analyses, and corporate goals;
- examine break-even analysis and the determination of prices;

6. evaluate the effects of specific current financial, economic, and political issues on the business community;

- examine federal or provincial budgets;
- examine changes in tax rules (e.g., tax holidays, treatment of capital gains);

7. examine the accounting for corporate income taxes under the present generally accepted accounting principles;

- examine the controversy over the taxes-payable method as opposed to the deferral method;
- use simple examples of permanent and timing differences;
- show deferred income tax as a credit balance as well as a debit balance.

2. Recordkeeping

Introduction

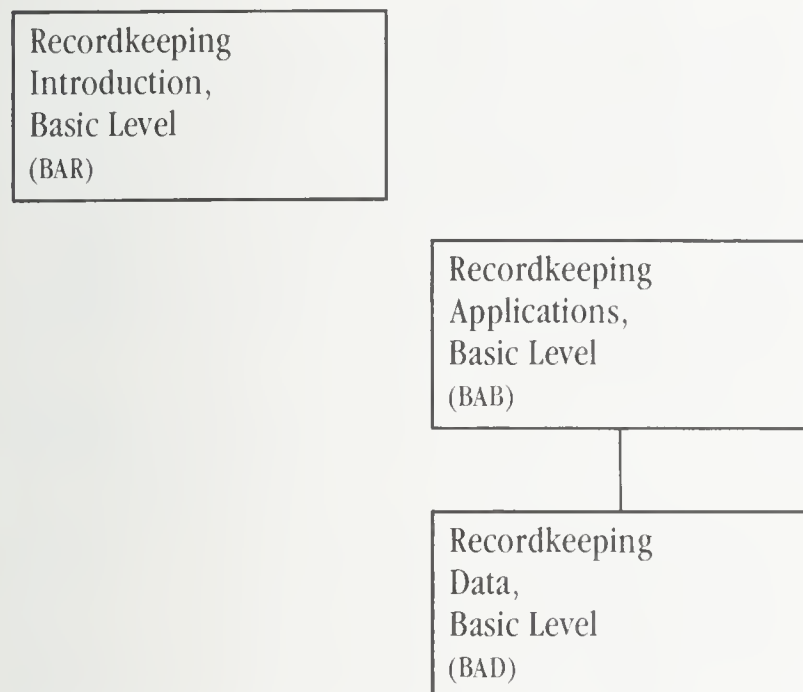
Program Description

The recordkeeping courses in this section of the business studies guideline emphasize the fundamental recordkeeping procedures required for personal financial decision making and outline appropriate practices for the maintenance of essential business and personal records and for effective personal financial management.

As illustrated in the accompanying diagram, this part of the business studies guideline authorizes three courses in recordkeeping at the basic level, for which students may earn a maximum of three in-school credits. Additional credits in this program may be earned through a co-operative education mode of delivery as authorized in section 5.11 of OSIS.

**Intermediate
Division**

**Senior
Division**



Aims

Most students will be required to manage their own personal affairs and to maintain their own essential financial records at some point in their lives. They will be expected to use their understanding of business procedures to make personal financial decisions and to record their business dealings. On entering the work force, they will also be required to use fundamental recordkeeping practices. Accordingly, the aims of all recordkeeping courses are to provide students with opportunities to:

- demonstrate an ability to manage their personal financial records;
- apply basic mathematical skills and perform the mechanical calculations required for personal financial recordkeeping activities;
- develop an enhanced sense of their own worth and a respect for others;
- improve their ability to read, write, speak, think, and solve problems associated with work-related or personal financial-management activities;
- demonstrate effective and businesslike work habits and attitudes;
- develop an understanding of business terminology and recordkeeping procedures;
- apply clerical recordkeeping skills that are required in the workplace;
- explore a variety of possible employment opportunities.

Teaching Strategies

In addition to the general teaching strategies included in the business studies policy document, *Policy for Program Planning and Delivery*, teaching strategies for recordkeeping courses are included in this section and in the descriptions of the specific recordkeeping courses that follow.

Clear and specific directions should be provided to students in a recordkeeping program to help them learn how to work independently and to assume responsibility for both the quality of their work and the completion of their assignments. The teaching strategies used in the program should allow students to receive immediate feedback, measure their daily performance, and identify ways to improve both their performance and the marks that they receive.

Accuracy and neatness are essential qualities in recordkeeping activities, and students should be encouraged to develop and apply these qualities on a regular basis. They should also be required to check their work carefully and to revise it whenever necessary.

An effort should be made to maintain student interest throughout each course. Teachers should structure the program so that new concepts or new activities designed to reinforce recordkeeping concepts are presented to students on a daily basis.

The development of good work habits should be stressed. Students should maintain neat and up-to-date notebooks that they can use as a ready reference. Notebooks can also serve to encourage students to be well organized and well prepared for work each day.

Students should be exposed to business-related topics, such as the use of technology and statistics in business, through class discussions and interaction with members of the local business community. Newspaper and magazine articles and government publications can be used to stimulate student interest in employment opportunities and to identify requirements for further study in a variety of work-related fields.

Evaluation of Student Achievement

General suggestions for the evaluation of student achievement may be found in the business studies policy document, *Policy for Program Planning and Delivery*. The following recommendations relate to all recordkeeping courses. Additional suggestions for assessment are included in the "Teaching and Assessment Strategies" section for each recordkeeping course.

Students should know what aspects of their work will be assessed and the relative emphasis for purposes of evaluation of each component of the course. Since the major emphasis in this program should be placed on day-to-day learning activities, the weighting of students' grades should reflect the primary importance of consistent day-to-day effort, performance, and feedback. The following weighting of the various evaluation activities is recommended:

Evaluation Activities	Per Cent of Total Evaluation
Assessment of daily performance, business attitudes, work habits, and student projects; self-evaluation	40-60
Short tests and daily quizzes	20-30
Comprehensive testing and examination	20-30

Teachers are encouraged to establish a uniform marking scheme and to communicate this scheme to their students so that they thoroughly understand the basis for the allocation of marks.

Teachers should consider issuing regular performance or production reports that indicate their assessment of students' daily work and summarize their performance to date. These reports should be designed to indicate to students how they can improve their performance through extra work (both in class and out of class) or by changing their daily work habits or attitudes. Teacher-student interviews may be a component of these performance reports and can be used to help students to see how well they are progressing, to find ways to improve, or to understand what changes they must make in their work habits in order to upgrade their marks.

Teachers are encouraged to provide a chart that indicates the business habits that will be evaluated. Students should be required to monitor and evaluate their daily progress in this area, as well as to take part in the assessment of other students in the class.

Project work should be handled carefully. Projects that review and reinforce concepts already learned can be assigned for in-class work. They should not require more than six to ten hours of time to complete and should include opportunities for students to work in small groups as well as independently. Teachers should participate in an active way, monitoring progress, acting as a resource, and promoting a positive learning environment.

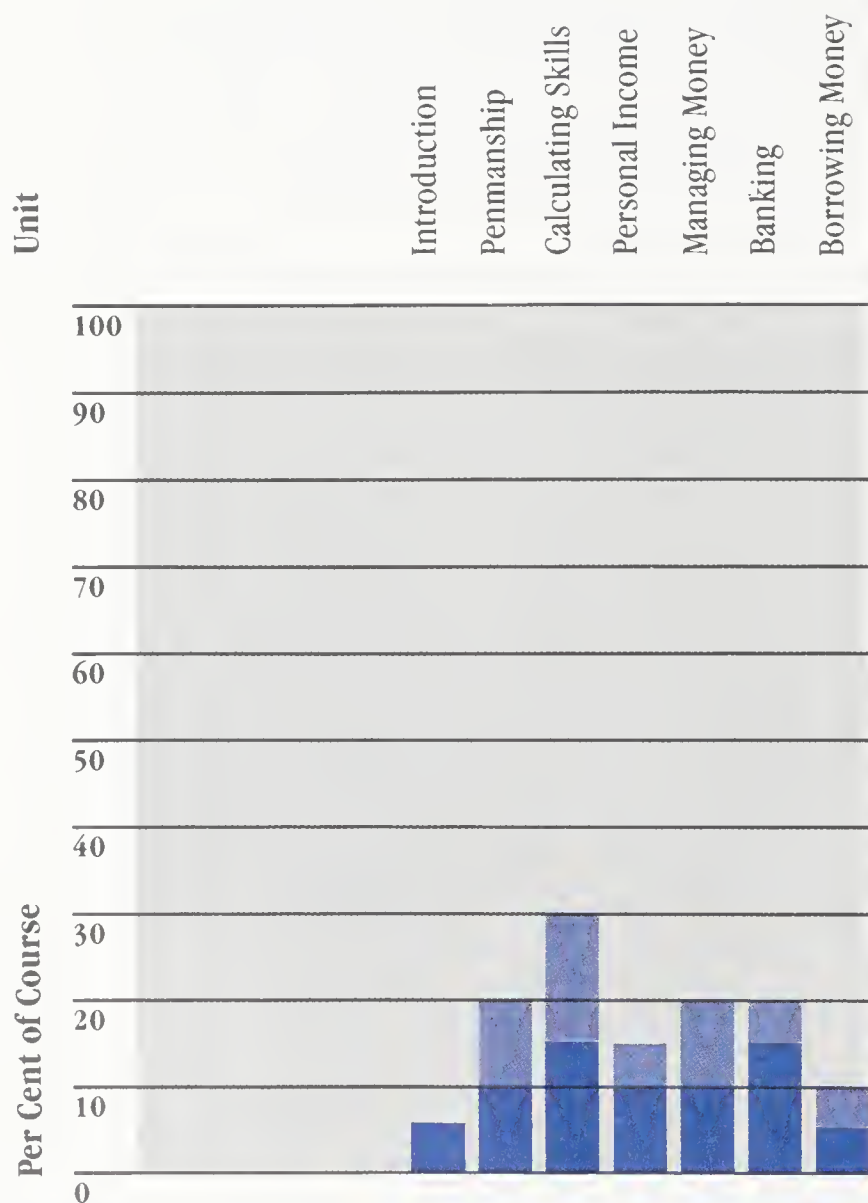
While teachers should continually encourage students to develop their ability to complete longer or more intensive exercises, the evaluation of student performance in this program should be based, to a large extent, on daily quizzes, regular content tests, and tests that measure particular skills. A short oral quiz at the start or end of a lesson can provide an excellent review of the material covered to date, can reinforce learning, and can reveal students' abilities to work effectively in a recordkeeping environment on a day-to-day basis. Students should know when to expect such tests and should be aware of the components of content that are to be included.

Periodic tests, as topics are completed, will indicate the level of student understanding in an area before new content is introduced. Student competency with equipment that is used in the workplace should be tested frequently throughout the course. Students should be expected to use a calculator efficiently and accurately, to load and run computer-software programs that are used in a business environment, and to be familiar with the use of the control keys on a computer keyboard.

Formal tests and examinations should be long enough to assess student understanding of complete units or topics but should not require prolonged concentration on a single topic or activity. As with end-of-topic tests, they should reflect the performance goals established for the course and should evaluate student performance on well-practised aspects of applications.

Theory units should be broken down into small components. Each component should be introduced separately and reinforced in a variety of ways before the next component is introduced. Students should receive feedback on a frequent basis. They should also be encouraged to evaluate their own progress as they acquire the skills required for effective personal financial management.

Recordkeeping Introduction, Basic Level (BAR)



Introduction

This Intermediate Division course will introduce students to the wide variety of skills they will require to manage their personal financial records. The emphasis will be placed on the accuracy, care, and storage of personal records. This course is appropriate preparation for further recordkeeping courses. There is no prerequisite for this course, for which students may earn a maximum of one credit.

Students should be provided with opportunities to:

- appreciate the importance of maintaining accurate personal financial records;
- acquire the skills necessary for processing and maintaining personal financial records;
- appreciate the importance of personal financial planning;
- practise neatness and accuracy in recording information;
- acquire an understanding of the business terms and procedures used in recordkeeping activities;
- develop a positive self-image and a respect for others.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this recordkeeping course and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

Teachers are encouraged to design activities that will make students aware of the wide variety of personal records required for personal life management and the importance of developing such habits as neatness, accuracy, and legible writing in the maintenance of these records. An emphasis should be placed on the procedures required to complete and maintain important personal financial records and the attitudes necessary to use these records to make appropriate personal financial decisions.

Students should be encouraged to bring relevant financial experiences to class and to identify the relationship of these experiences to recordkeeping activities. They should also be encouraged to identify the potential opportunities for applying recordkeeping skills in their personal financial affairs.

The suggestions for the evaluation of student achievement that are made in the Introduction to the recordkeeping program should be used to assess student abilities to apply introductory recordkeeping theory to the aspects of personal financial management covered in this course. Teachers should use a variety of evaluation methods to assess both cognitive and affective skills.

The following table outlines the core units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

Unit	Per Cent of Course
I. Introduction	5
II. Penmanship	10–20
III. Calculating Skills	15–30
IV. Personal Income	10–15
V. Managing Money	10–20
VI. Banking	15–20
VII. Borrowing Money	5–10

Course Content

The main items of course content for each unit are outlined in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.



I. Introduction

Core Content

Students will:

1. **identify and apply the skills necessary for personal financial recordkeeping;**
 - practise writing letters, words, and numbers legibly;
 - perform a variety of mathematical calculations with and without the use of calculators;
 - identify reasons for taking care of work stations, equipment, and materials;
 - identify ways of using materials and equipment safely and recognize the importance of following safety procedures;
2. **describe the uses of recordkeeping in personal life management;**
 - relate recordkeeping activities to other subject areas;
 - identify ways in which recordkeeping skills might help them obtain future employment;
3. **practise efficient work habits;**
 - discuss how efficiency can be improved by effective work-station management;
 - identify the obstacles to efficient work-station management and present ways to overcome these obstacles;
 - demonstrate how organized routines can improve efficiency;
4. **develop and use effective business communication skills;**
 - read, write, talk about, and listen to business-related material.

II. Penmanship

Core Content

Students will:

- **develop a neat and legible handwriting;**
 - examine samples of legible and illegible writing;
 - discuss the problems caused by difficult-to-read or illegible handwriting;
 - identify the reasons why legible handwriting is important to personal financial management;
 - demonstrate the correct size, spacing, and formation of letters and numbers.



III. Calculating Skills

Core Content

Students will:

1. **perform simple arithmetic problems associated with personal financial management;**
 - calculate bank balances, budgets, and simple wage earnings and deductions;
2. **identify different kinds of calculators and compare their various functions;**
 - prepare a poster that illustrates the various parts and control keys of particular calculators;
 - label the various parts of a calculator on a diagram;
3. **identify and apply the skills required in handling, moving, and caring for business equipment;**
 - pick up and move equipment correctly;
 - insert new tapes, ribbons, or cartridges;
 - list the factors involved in the safe operation of business machines;



4. acquire correct touch-fingering procedures for a calculator;

- practise two-digit and three-digit adding, subtracting, and multiplying, using the correct touch-fingering procedures;
- discuss the use of and demonstrate an ability to use decimal-selector, rounding-off, memory, and per-cent keys;

5. acquire speed and accuracy in the solving of arithmetic problems;

- add with and without decimals;
- subtract with and without decimals;
- multiply with and without decimals;
- do simple division, round off, estimate, and complete simple percentage problems.



IV. Personal Income

Core Content

Students will:

1. identify a variety of ways to earn an income;

- discuss the following income arrangements: full salary, salary plus commission, full commission, hourly wage, the allowances given by parents to their children;
- list the various types of employment (e.g., part-time, full-time, self-employment);
- discuss methods of payment (e.g., cheque, cash, direct deposit to a bank account, allowances for such things as living accommodation);
- list various government-assistance programs (e.g., family allowances, unemployment insurance, disability allowances, Canada Pension Plan);
- discuss and list different sources of financial income (e.g., bank interest, stock and bond dividends);

2. identify the need for keeping accurate financial records;

- discuss ways to rectify inaccurate payments;
- perform activities or study simple case studies that involve problems that might arise as a result of inaccurate records;

3. compute wage earnings;

- discuss legislation that might relate to overtime;
- compute wages that include overtime pay;

4. identify various voluntary and involuntary deductions;

- calculate the amount of unemployment-insurance and Canada Pension Plan deductions for a variety of different incomes;
- determine net pay after compulsory and voluntary types of deductions that include personal income tax, Canada Pension Plan payments, unemployment insurance, health-insurance payments, and charitable contributions;

5. calculate wages using a calculator;

- determine wages based on both salary and hourly pay, taking into consideration common deductions;
- complete a time card and a payroll sheet.

V. Managing Money

Core Content

Students will:

1. examine the need for effective money management;

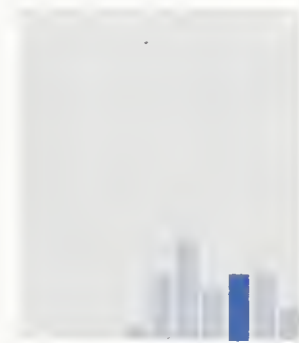
- describe the benefits of effective money management;
- examine typical cases that illustrate ineffective money management;

2. identify the need for keeping accurate personal financial records;

- discuss decision-making factors in financial management;
- examine how relying on one's memory for financial information might negatively affect one's personal money management;

3. identify a variety of personal records and describe their use;

- complete a personal cheque-record book;
- examine payroll records and complete a payroll-record page;
- list various expenses that might be encountered by a self-employed person;
- identify correct methods for filing or storing personal financial records;
- examine a bank passbook and check the accuracy of simple financial statements;



4. identify the need for effective budgeting;

- prepare a personal financial plan;
- discuss the importance of careful financial decision making;
- identify appropriate procedures for the collecting of information for a personal budget;
- formulate working definitions for the terms *forecasting* and *estimating*;

5. complete a simple personal budget;

- use neat, legible handwriting in preparing a personal budget;
- use a computer-software program to simulate the preparation and use of a personal budget.

Optional Content

Students will:

1. *determine the data and kind of records required to complete a personal balance sheet;*

- identify the need for a personal balance sheet;
- prepare a personal household inventory;

2. *prepare simple personal balance sheets;*

- formulate working definitions for the terms *assets*, *liabilities*, and *capital*;
- determine the value of their assets and liabilities and complete a simple personal balance sheet.

VI. Banking

Core Content

Students will:

1. **identify the need for and the role of banks and other financial institutions;**

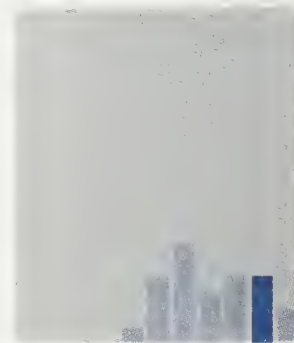
- formulate working definitions for the following terms: chartered bank, trust company, and credit union;

2. **identify the services provided by banks and other financial institutions for the personal depositor;**

- determine a working definition for each of the following terms: deposit, loan, money order, traveller's cheque, foreign-currency exchange;
- discuss the use of a safety-deposit box and personal charge cards;

3. **identify various kinds of personal-use bank accounts and the procedures required to open and manage them;**

- chart the kinds of accounts available for personal money management;



4. **complete the necessary banking forms to open an account, deposit and remove funds, and maintain an accurate personal record of all transactions;**
 - identify the purpose of the following: deposit slips, withdrawal receipts, cheques, chequebook registers, blank and restrictive endorsements;
 - demonstrate competency in completing various blank forms, such as deposit slips and withdrawal receipts;
5. **compare a bank statement with a cheque register and prepare a simple bank-reconciliation statement;**
 - discuss the following: outstanding cheques, late deposit, bank charges;
 - make a list of depositor and bank errors;
6. **understand the meaning of common banking terms and the personal implications of each for the depositor;**
 - identify what is meant by the following terms: non-sufficient funds, stop-payments of cheques, certified cheques.

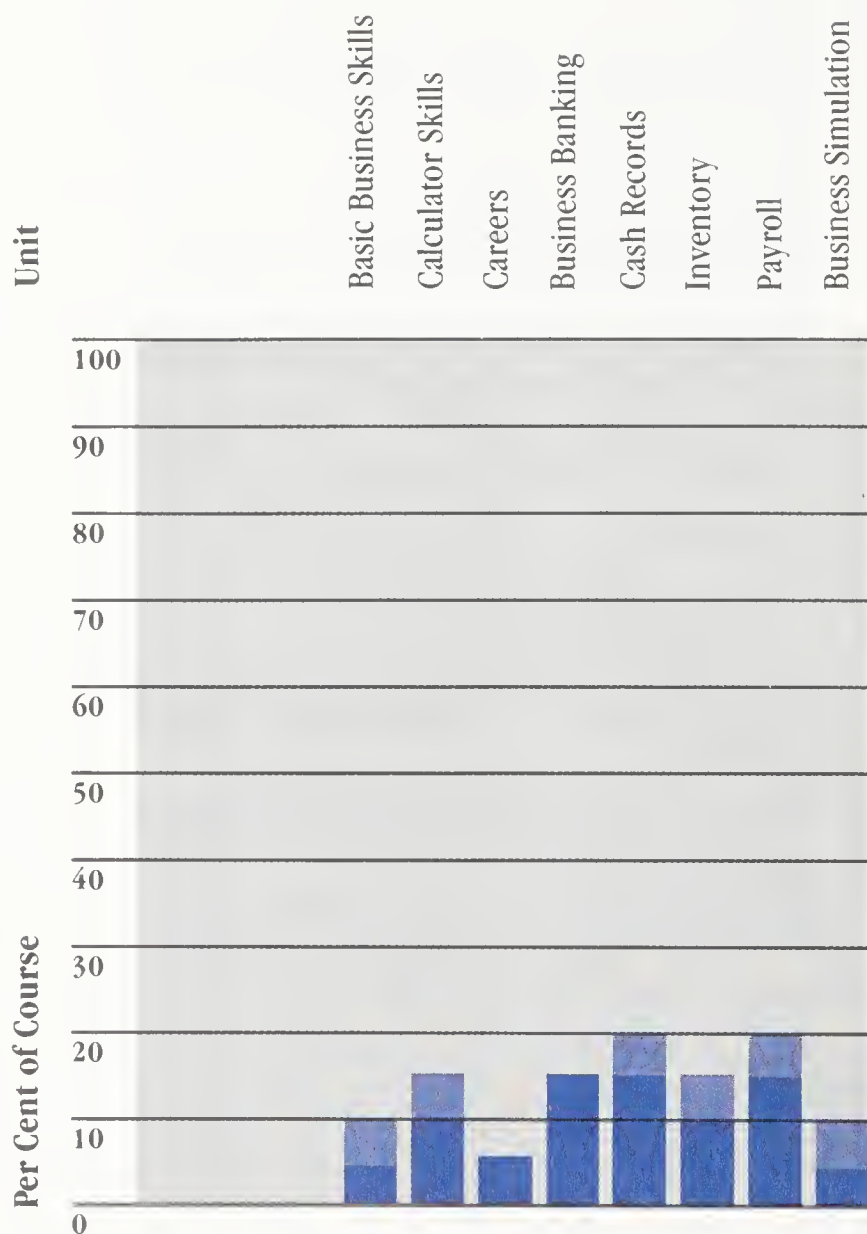
VII. Borrowing Money

Core Content

Students will:

1. **identify the need, sources, and methods for borrowing money;**
 - identify times when the borrowing of money might be considered a necessity;
 - list personal sources of loans;
 - discuss the following: the difference between long-term and short-term borrowing, demand notes, charge cards, mortgages;
 - prepare a poster that identifies all of the financial institutions that might lend money to individuals;
2. **calculate the costs of borrowing money;**
 - discuss the meaning of the following terms: interest, flat rate, hidden fees;
 - calculate the difference in the costs of borrowing a sum of money at a specific interest rate and at a flat rate;
3. **identify the advantages and disadvantages of using charge cards;**
 - list the various types of charge cards available.

Recordkeeping Applications, Basic Level (BAB)



Introduction

This Senior Division course will introduce students to recordkeeping procedures used in business; provide them with opportunities to apply the clerical skills required for clerical employment in such areas as banking, payroll, or inventory control; help them to refine their personal financial-management skills; and provide them with the foundations required for further study in the record-keeping program or other business studies programs. There is no prerequisite for this course, for which students may earn a maximum of one credit.

Students should be provided with opportunities to:

- understand the importance of clerical positions that involve the processing of financial information;
- acquire the clerical skills necessary for employment in such areas as banking, payroll, and inventory control;
- expand their understanding of the business terms and procedures used in recordkeeping activities;
- further develop their speed and accuracy in the use of a calculator;
- develop and reinforce their feelings of self-worth and their respect for others;
- develop and apply effective communication skills;
- acquire and apply businesslike attitudes and work habits.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this recordkeeping course and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

Teachers are encouraged to design activities that will allow students to practise introductory recordkeeping similar to that used in a business environment. Care must be taken, however, to break each clerical task into small units so that students will not be overwhelmed by exercises that are too large or that require too many separate steps to complete. Before students begin to work on a business simulation, teachers should ensure that instructions are clear and easy to understand, that they are available to act as resource persons and to monitor and reinforce student progress, and that the necessary materials are set out in such a way that it is easy for students to complete the assignment.

Students should be encouraged to bring relevant financial-management experiences to class and to identify the application of business recordkeeping theory to the management of their personal financial affairs.

Neatness, accuracy, and legible writing should be encouraged in all recordkeeping assignments, and students should be rewarded for work that has been completed on time and in a businesslike manner.

Work-experience or co-operative education opportunities are especially important applications in a business-related recordkeeping program and can provide excellent opportunities for students to learn at first hand about the world of work and the process of earning a living.

The suggestions for the evaluation of student achievement made in the Introduction to the recordkeeping program should be used to measure students' abilities to apply recordkeeping applications theory to the aspects of business recordkeeping management covered in this course. Teachers should use a variety of evaluation methods to assess both cognitive and affective skills.

The following table outlines the core units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework

Unit	Per Cent of Course
I. Basic Business Skills	5-10
II. Calculator Skills	10-15
III. Careers	5
IV. Business Banking	15
V. Cash Records	15-20
VI. Inventory	10-15
VII. Payroll	15-20
VIII. Business Simulation	5-10

Course Content

The main items of course content for each unit are presented in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.



I. Basic Business Skills

Core Content

Students will:

1. **identify and practise the standards of behaviour and attitudes that are expected of employees in business;**
 - define the following terms and discuss what each means to an employer as well as to an employee: deportment, courtesy, tact, honesty, loyalty, dependability, punctuality, regular attendance;
 - discuss the cost to an employer of an employee's poor use of time and materials;
 - consider short case studies that depict positive and negative behaviour and work attitudes;
 - in small groups discuss how positive and negative behaviour can affect fellow employees as well as the success of a business;
 - identify instances in which positive and negative behaviour or attitudes can affect a student's personal life;
2. **identify a variety of special skills that can contribute to an individual's employment opportunities;**
 - discuss how a second language or the ability to use business equipment can make an individual more employable;
3. **determine the skills that are essential for productive group work;**
 - discuss the importance of interpersonal skills in a business setting;
 - identify a variety of interpersonal communication skills that might improve the effectiveness of team work;
 - examine case studies that illustrate how good and bad interpersonal communications affect a work situation;
 - prepare and use a self-rating checklist.

II. Calculator Skills

Core Content

Students will:

- review the skills necessary for using a calculator;
 - add, multiply, and divide two- and three-digit numbers;
 - demonstrate an ability to use decimals correctly;
 - develop speed and accuracy in the use of a ten-key calculator;
 - use specialized keys on a calculator to determine a subtotal, combining adding, subtracting, multiplying, and dividing operations;
 - determine a variety of business applications for calculators (e.g., payroll, inventory, bank statements, taxes, sales discounts).



III. Careers

Core Content

Students will:

- identify a variety of employment possibilities related to recordkeeping skills and determine the specific skills required;
 - chart a variety of employment possibilities (e.g., general-accounts clerk, payroll clerk, inventory clerk) and list the skills required for each;
 - list the general skills needed for recordkeeping procedures (e.g., the ability to use a calculator and a computer, to write legibly, to keep neat and accurate records);
 - speak to members of the local business and industry community to determine what qualities employers look for in prospective employees.



IV. Business Banking

Core Content

Students will:

1. identify business banking procedures;

- review personal banking procedures;
- determine the various types of business bank accounts and what each might be used for;

2. complete a variety of banking forms for business use and maintain corresponding banking records;

- describe the deposit slips, chequebooks, and voucher cheques required for business use;
- complete deposit slips, cheques, voucher cheques, and cheque registers and determine their purpose in business financial recordkeeping;
- record banking transactions;

3. prepare deposits for a current account;

- prepare money for deposit, including rolling coins, sorting currency, and listing cheques;
- examine the preparation necessary for depositing funds after banking hours;

4. describe the procedures involved in endorsements and the clearing of cheques;

- describe the use of endorsements;
- prepare a flow chart of a cheque cycle;

5. prepare a simple bank-reconciliation statement;

- demonstrate an understanding of such terms as the following; credit, debit, memoranda, late deposits;

6. describe the various kinds of equipment used in banking procedures;

- list and determine how to use the following equipment in banking circles: computers, cheque-writing machines, accounting machines, automatic tellers, night-deposit facilities;

7. determine the duties of a bank teller and a customer-service representative;

- list the various duties of a bank teller and a customer-service representative;
- identify the qualifications necessary for each job;
- visit a financial institution and meet both a bank teller and a customer-service representative.



V. Cash Records

Core Content

Students will:

1. **maintain a variety of cash-control records;**
 - identify the need for cash-control procedures and records;
 - perform cash-control operations, including the handling of cheques, petty-cash vouchers, register and prenumbered receipts, and invoices;
 - define the terms and symbols used in a variety of cash-control records;
2. **practise the skills required for completing and processing cash-control records;**
 - discuss how two- and three-column cash-receipts and cash-payments journals are used;
 - complete problems involving two- and three-column cash-receipts and cash-payments journals;
 - complete problems that involve petty-cash vouchers and a petty-cash register;
3. **describe and practise the duties of a general office clerk and a cash-records clerk;**
 - list the duties involved in these two jobs;
 - role-play problems involving the general office clerk and cash-records clerk;
 - interview people who are presently in these jobs.

VI. Inventory

Core Content

Students will:

1. **identify the need for inventory-management and control procedures and describe the various types of inventory-management systems;**
 - determine the impact on product pricing if stock is lost as a result of poor inventory-control procedures;
 - determine the meaning of perpetual, periodical, and physical stock control;
 - prepare a flow chart of the steps involved in inventory management;
 - complete requisitions for incoming stock and supplies;
 - update a perpetual-inventory card;
 - record the outflow of stock or supplies;
2. **practise the skills required for processing inventory records;**
 - prepare perpetual-inventory cards and physical-inventory lists;

3. identify the procedures involved in inventory management;

- discuss the use of periodic checks, audits, and computers in inventory management;
- demonstrate how to use various filing and numbering systems;
- perform inventory checks and prepare requisition forms for the school office;
- complete practical recordkeeping assignments for the school store or other school shops;

4. describe the duties and routines of a stock-records clerk;

- prepare a poster that illustrates the duties and routines of a stock-records clerk;
- interview a stock-records clerk to determine what skills are required in that field.

VII. Payroll

Core Content

Students will:

1. identify the need for accurate payroll records;

- discuss the importance of correct payroll procedures in business;
- list government regulations that affect payroll procedures;

2. describe various methods of paying employees;

- list the advantages of such methods of payment as cheques, cash, and bank deposits;

3. understand the methods of calculating an employee's earnings;

- review the various methods of payment (e.g., daily, hourly, and weekly wages; salary; commission; piece-work compensation);
- calculate wages earned based on a variety of methods of payment;

4. calculate hours worked and gross pay using employee time cards;

- review government regulations with respect to overtime payments;

5. identify a variety of compulsory or voluntary deductions;

- review compulsory deductions (e.g., unemployment insurance, Canada Pension Plan, income tax);
- discuss how fringe benefits might affect an employee's take-home pay;
- list the various charitable organizations for which an employee may request deductions;
- discuss the reasons for a savings plan that involves direct deductions from an employee's payroll cheque;

6. calculate net pay, basing their calculations on a variety of methods of payment and deductions;

7. examine the use of special payroll records;

- prepare a collage of various payroll-record forms (e.g., TD-1 forms, contract payroll summaries, cash memoranda, T-4 slips, employees' earnings records);

8. describe and practise the duties and routines of a payroll clerk;

- discuss the role of a payroll clerk in a particular business;
- solve a variety of payroll problems;
- use a computer to simulate payroll preparation.

VIII. Business Simulation

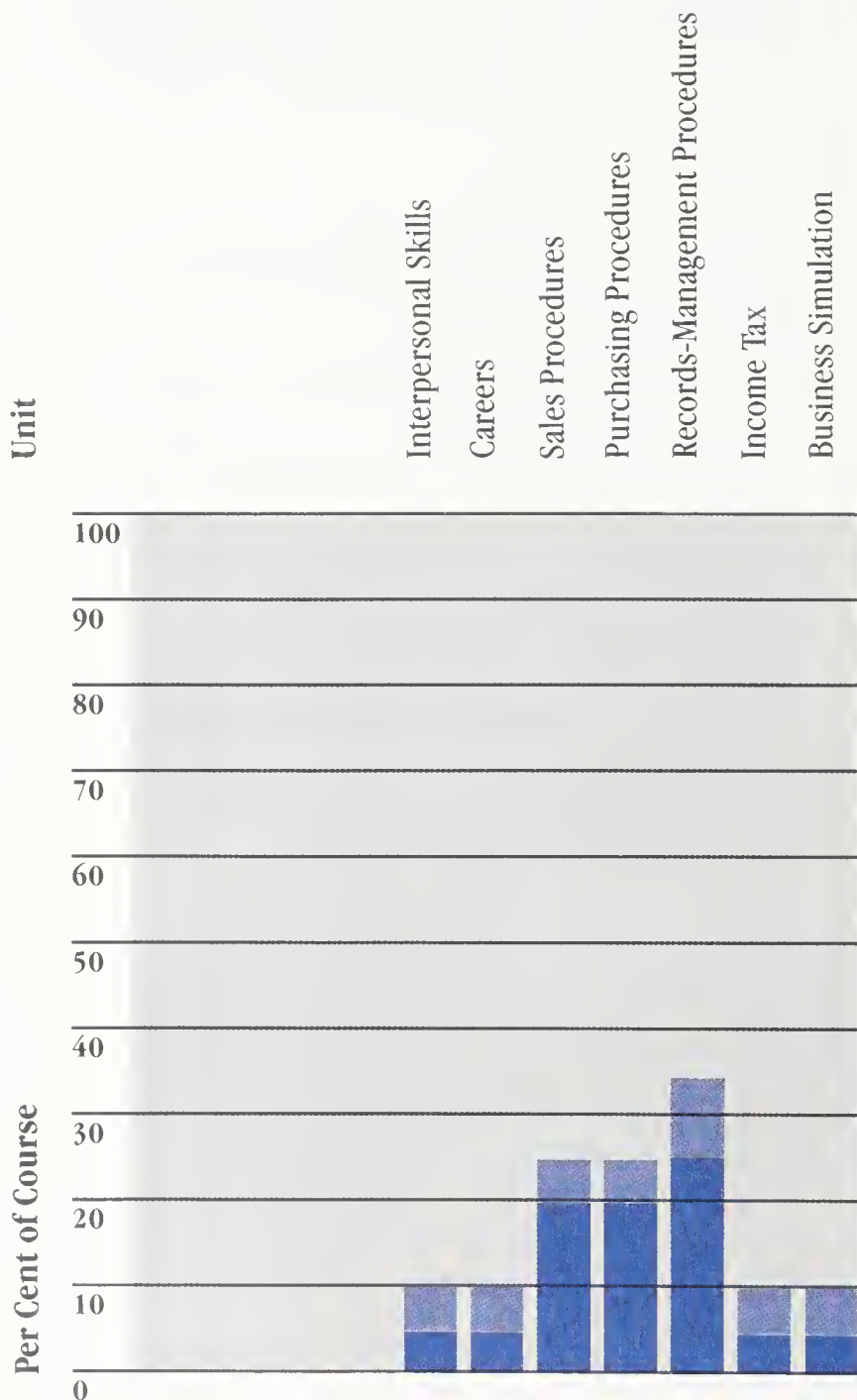


Core Content

Students will:

- **use business-simulation kits to illustrate the importance of recordkeeping in a business environment;**
 - use a commercially prepared kit or one especially designed by a teacher to simulate various topics covered during the course (e.g., banking, cash records, payroll);
 - use a computer-software program to simulate various topics covered during the course;
 - work for a particular school department or area (e.g., the cafeteria, school store, or school office) to apply the recordkeeping skills learned during the course;
 - participate in a work-experience program that involves recordkeeping.

Recordkeeping Data, Basic Level (BAD)



Introduction

This Senior Division course will help students understand how a variety of financial recordkeeping activities are performed in the workplace and will provide them with a solid basis for further business study. Computer concepts, especially as they relate to business recordkeeping activities, will be explored, and students will have opportunities to use a computer to record and manage financial information. Recordkeeping Applications (BAB) is the prerequisite for this course, for which students may earn a maximum of one credit.

Employers will continue to include basic recordkeeping abilities among the skills required for clerical employment. However, because of the great impact of computers on the recordkeeping procedures used in business, employers will also require that their employees be able to use computers to enter, process, and record data. Accordingly, students should be provided with opportunities to:

- broaden their knowledge of business procedures in recordkeeping job areas;
- expand their understanding of the importance of recordkeeping activities;
- appreciate the effect of the computer on traditional job skills;
- identify new procedures and new job skills for a variety of recordkeeping activities in a computerized environment;
- describe or illustrate the flow of information in a business recordkeeping setting;
- identify ways in which certain attitudes, habits, or actions might impede or promote productivity in a computerized recordkeeping environment.

Teaching and Assessment Strategies

The teaching and assessment strategies included here are specific to this recordkeeping course and are suggested in addition to the general strategies for teaching and for evaluating student achievement outlined in the Introduction to this program and in the business studies policy document, *Policy for Program Planning and Delivery*.

Teachers are encouraged to design activities that will allow students to practise business recordkeeping and develop the skills, attitudes, and work habits they will need for employment. Self-confidence is an important component of successful preparation for work, and teachers should make an effort to help students perform their work assignments in a way that will allow them to develop their skills and their confidence in their abilities.

With appropriate preparation and adequate instruction students can perform a variety of recordkeeping activities with a computer-software program. The use of the computer, with its potential for accuracy, speed, and ease of handling, should help students build their self-confidence and develop the enthusiasm that they require to continue their learning experiences and prepare for gainful employment in the business community.

Work-experience and co-operative education opportunities are important learning activities in a recordkeeping program. They provide viable applications for in-class learning as well as excellent preparation for future work in a business environment. Students who have experienced such activities will find it easier to enter the workplace on graduation. They will find that they have a clearer understanding of employer expectations and an enhanced appreciation of their own abilities.

The suggestions for the evaluation of student achievement made in the Introduction to the recordkeeping program should be used to assess students' abilities to apply recordkeeping data theory to the aspects of personal and business recordkeeping management covered in this course. Teachers should use a variety of evaluation methods to assess both cognitive and affective skills.

The following table outlines the core units of content for the course and the percentage of class time and relative emphasis for evaluation purposes that should be allocated to each unit. Note that the sequencing of units is left to the discretion of the teacher. The percentages suggested here allow for the inclusion of optional material of local interest within each unit or as an additional unit.

Suggested Time and Evaluation Framework	
Unit	Per Cent of Course
I. Interpersonal Skills	5-10
II. Careers	5-10
III. Sales Procedures	20-25
IV. Purchasing Procedures	20-25
V. Records-Management Procedures	25-35
VI. Income Tax	5-10
VII. Business Simulation	5-10

Course Content

The main items of course content for each unit are presented in bold-face type. Each of these is followed by more specific learning opportunities that relate to the main item of content. Note that all of the items in bold face are core content.

I. Interpersonal Skills

Core Content

Students will:

1. **identify the need to work harmoniously and effectively with peers and superiors;**
 - discuss the following terms: productivity, career maintenance, performance review, advancement or promotion;
 - identify the ways in which harmonious working environments can enhance productivity;
2. **demonstrate the qualities that promote effective interpersonal relations;**
 - prepare a checklist of the characteristics that promote effective interpersonal relations;
 - discuss the importance of confidentiality with respect to the personal and business activities of employers and co-workers;
 - discuss how courteous behaviour can enhance a student's self-image.

II. Careers

Core Content

Students will:

1. **identify a variety of clerical job-entry employment opportunities in a financial record-processing area;**
 - list the various employment classifications that require recordkeeping abilities (e.g., sales-order, cash-record, cash-payment, purchasing, and sales-department clerks);
 - identify a variety of careers in which computer skills would be expected;
 - identify attitudes, habits, and actions that either impede or promote productivity in a data-processing environment;
 - prepare a collage of advertisements that illustrate the availability of employment opportunities in this field;
 - identify the skills required for each of these employment classifications;

2. apply the skills associated with a variety of clerical positions;

- use calculators and computer software to complete assignments that reflect the requirements of clerical employment;
- demonstrate legible, neat, and accurate written work;
- list the educational requirements for job entry, job maintenance, and job advancement in a financial record-management environment;

3. identify and develop the skills necessary for a successful job search;

- describe job-search techniques;
- list the services offered by Employment Canada and local placement agencies;
- accurately complete an employment application form;
- prepare a résumé and a letter of application;
- role-play an interview situation.

III. Sales Procedures

Core Content

Students will:

1. identify specific sales procedures;

- recognize the importance of sales procedures;
- identify the flow of sales records as they apply to cash control and the effective operation of a business;
- identify the importance of accurate records;

2. identify and process a variety of sales forms;

- prepare a collage of sales-order forms, sales invoices, cash-sales slips, sales-journal forms, and statements of account;
- calculate sales discounts and sales taxes;

3. describe and practise the routines of a sales-order clerk and a sales-department clerk;

- visit a department store to discuss with appropriate sales personnel the various duties of the sales-order clerks and sales-department clerks of that store;
- use a point-of-sale terminal to process a sale;
- use a computer-software program to check inventory and process a sale.



IV. Purchasing Procedures



Core Content

Students will:

1. **identify specific purchasing procedures and solve problems related to the effect of flow-of-purchase records on stock and cash control in the operation of a business;**
 - list the reasons for specific purchasing procedures;
 - identify the effect of flow-of-purchase records on cash and stock control;
 - discuss how specific purchasing procedures might increase efficiency;
 - use an inventory software program to manage an inventory file;
2. **identify and process the various forms found in a purchasing environment;**
 - demonstrate an understanding of such terms as the following: stock-department requisition, purchase order, purchase invoice, purchase journal, credit invoice;
3. **describe and practise the duties and routines of a purchase-order clerk and a purchasing-department clerk;**
 - discuss the duties and routines of purchase-order and purchasing-department clerks;
 - prepare purchase orders from source documents;
 - check the accuracy of purchase orders;
 - participate in a work simulation that involves the processing of purchase orders;
 - visit the purchasing department of a large store.

V. Records-Management Procedures



Core Content

Students will:

1. **identify the need for the systematic storage and efficient retrieval of records;**
 - discuss the need for the fast and efficient storage of records;
 - describe the methods used to store, retrieve, and transfer records in a business environment;
 - label diagrams showing various types of equipment used in storing and retrieving records;
 - file and sort records manually;
 - use a computer-software program to file and sort a variety of recorded information;
2. **identify and describe commonly used filing systems for financial records;**
 - demonstrate an ability to file and sort, both alphabetically and numerically;
3. **apply the job skills of a records-management clerk;**
 - identify the duties of a records-management clerk;
 - simulate a work situation that involves the use of a variety of source documents;
 - perform recordkeeping activities in conjunction with the activities of various shops in the school.

VI. Income Tax

Core Content

Students will:

1. **define the terminology used in the various sections of the personal-income-tax return;**
 - demonstrate an understanding of such terms as the following: personal exemptions, medical deductions, T-4 slips, T-1 forms;
 - discuss the legal implications of false or late income-tax statements;
 - identify individual and employer responsibilities regarding the payment of income tax;
2. **prepare simple income-tax forms.**

VII. Business Simulation

Core Content

Students will:

- **complete a business simulation involving a business recordkeeping application;**
 - complete a business simulation that involves a recordkeeping activity in the area of sales, purchasing, payroll, or income tax;
 - prepare the records of a school department, such as one of the shops, the cafeteria, or the school store;
 - organize payroll information and enter the appropriate data into a computer to prepare the payroll for a small business;
 - classify types of data and enter the appropriate information into a computer to prepare a sales report;
 - use an inventory program to manage an inventory.

